LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a Shareholder(s) of **Shyam Star Gems Limited**. If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or Manager or Registrar to the Offer. In case you have recently sold your Shares in the Company, please hand over this Letter of Offer and the accompanying Form o f Acceptance-cum-acknowledgement, Form of Withdrawal and Transfer Deed to the Member of the Stock Exchange through whom the said sale was effected.

OPEN OFFER

Pursuant to Regulations 10 and 12 and applicable provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and amendments thereto **("the Regulations")**.

BY

SWARNSARITA JEWELLERS PRIVATE LIMITED

(Hereinafter referred as "Acquirer" or "SJPL")

Having the Registered Office at 1st Floor, 17/19, Dhanji Street, Zaveri Bazar, Mumbai-400 003
Tel No (022) 23474848, 23474849 and 22417222 Fax No: (022) 23470347 email: swarnsarita@gmail.com.

AND

SANKALP ERECTORS & BUILDERS PRIVATE LIMITED

(Hereinafter refereed as Deemed Person Acting in Concert" or "DPAC" being the holding company of Acquirer Company)

Having the Registered Office at 3C, Ruby Chambers, 3rd floor, 40 / 42 Dhanji Street, Zaveri Bazar, Mumbai-400002.
Telephone : 022-22096000; Fax : 022-22095000 Email ravindraratanpal@bhalawat.com

TO THE SHAREHOLDERS OF SHYAM STAR GEMS LIMITED

(Hereinafter referred as "SSGL" or "the Target Company" or "the Company")

Having the Registered Office at 01, "Shyam Bungalow", Plot No. 199/200, Pushpa Colony, Fatimadevi School Lane, Manchubhai Road, Malad (East), Mumbai- 400 097, Tel No.: 022- 28449514 Fax No.: 022-28449514, Email: shyamstargems@yahoo.com

TO ACQUIRE

Up to 13,89,080 (including 78,500 shares on which the call money is pending) of Rs. 10/- each, representing in aggregate 20% of the total issued, subscribed and Fully paid up equity share capital and 20.23% of the Voting Capital of SSGL for cash, at a price of **Rs.18/- (Rupees Eighteen Only)** per Fully Paid-up Equity Share **("Offer Price")**.

Note : The shareholders holding 78,500 equity shares of Rs. 10/- each which are partly paid up on which calls in arrear of Rs. 5/- per share due to the company shall also be eligible to participate in the offer. However out of offer price of Rs. 18/-, Rs. 5/- will be paid to the Company towards balance call money to make them fully paid-up and Rs. 13/- will be paid to the respective shareholders.

1. This Offer is being made pursuant to the Regulations 10 & 12 of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 1997 ("SEBI (SAST) Regulations") and subsequent amendments thereof.
2. This Offer is not conditional upon any minimum level of acceptance by the shareholders of the Target Company.
3. No Statutory approvals are required to be obtained for the purpose of this offer.
4. **This offer is not a competitive bid.**
5. **There has been no competitive bid or revision of Offer Price as on date of this Letter of Offer.**
6. **If there is a competitive bid:**
   - **The public offer under all the subsisting bids shall close on the same date.**
   - **As the Offer Price cannot be revised during seven (7) working days prior to the closing date of the offers/bids, it would be in the interest of the shareholders to wait till the commencement of that period to know the final Offer Price of each bid and tender their acceptance accordingly.**
7. **Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, can withdraw the same upto three working days prior to the date of closure of the Offer i.e. they can withdraw on or before Monday, 24th January, 2011.**
8. If there is any upward revision in the Offer Price by the Acquirer prior to or on the last date for revising the Offer Price viz., **19th January, 2011** you will be informed by way of another Public Announcement in the same newspapers in which the Public Announcement was published. The Acquirer shall pay such revised price for all shares validly tendered any time during the Offer and accepted under the Offer or if the Offer is withdrawn pursuant to Regulation 27 of the Regulations, the same would be communicated by a Public Announcement in the same newspapers in which the Public Announcement appeared.
9. A copy of the Public Announcement, corrigendum to Public Announcement and the Letter of Offer (including Forms of Acceptance-cum-Acknowledgement & Withdrawal) are also available on SEBI's Website: www.sebi.gov.in.
10. All correspondence relating to this offer, if any, should be addressed to the Registrar to the Offer, viz Sharex Dynamic (India) Private Limited.

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
COMFORT **Comfort Securities Private Limited** SEBI Registration No. INM 00011328 A-301, Hetal Arch, S V Road, Malad (W), Mumbai - 400064. Tel. No: +91-22-28449765/28449766 Fax No. +91-22-28892527 Contact Person: Mr. Sarthak Vijlani Email: sarthak@comfortsecurities.co.in Website: www.comfortsecurities.co.in	Sharex **Sharex Dynamic (India) Private Limited** SEBI Registration No.INR000002102 Unit No. 1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai- 400 072 Tel. No. 022-28515606/5644 Fax no.: 022-28512885 Contact Person: Mr. B.S. Baliga Email: sharexindia@vsnl.com Website : www.sharexindia.com
OFFER OPENS ON: MONDAY, JANAURY 10, 2011	**OFFER CLOSES ON: SATURDAY, JANUARY 29, 2011**

SCHEDULE OF THE MAJOR ACTIVITIES OF THE OFFER

Sr. No.	Activity	Original Day and Date	Revised Day and Date
1.	Date of Public Announcement	Tuesday, September 21, 2010	Tuesday, September 21, 2010
2.	Specified Date*	Saturday, October 16, 2010	Saturday, October 16, 2010
3.	Last Date for a Competitive Bid(s)	Tuesday, October 12, 2010	Tuesday, October 12, 2010
4.	Date by which Letter of Offer will be dispatched to the Shareholders	Friday, November 05, 2010	Wednesday, January 5, 2011
5.	Offer Opening Date	Monday, November 15, 2010	Monday, January 10, 2011
6.	Last Date for the Revision of the Offer Price / Number of Equity Shares.	Wednesday, November 24, 2010	Wednesday, January 19, 2011
7.	Last date to withdraw acceptance tendered by shareholders	Wednesday, December 01, 2010	Monday, January 24, 2011
8.	Offer Closing Date	Saturday, December 04, 2010	Saturday, January 29, 2011
9.	Date by which the acceptance / rejection would be intimated and the corresponding payment for the acquired equity shares and/or the unaccepted equity shares/share certificates will be dispatched.	Monday, December 20, 2010	Monday, February 14, 2011

** "Specified Date" is only for the purpose of determining the Shareholders as on such date to whom the Letter of Offer would be mailed. It is clarified that all the Shareholders of the Target Company except the Seller are eligible to participate in the Offer any time before the closing of the Offer.*

Note: Duly Signed Application and Transfer Deed(s) together with share certificate(s) should be dispatched by Registered Post / Courier or hand delivered to the Registrar to the Offer at above address to arrive not later than 1.30 p.m. on January 29, 2011.

RISK FACTORS

A. RELATING TO THE OFFER

The risk factors set forth below pertain to the Offer and are not in relation to the present or future business operations of the Target Company or other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Shareholders of the Target Company are advised to consult their stockbroker or investment consultant, if any, for analyzing all the risks with respect to their participation in the Offer.

1) The Offer involves an offer to acquire up to 20% of the total issued, subscribed and fully paid up Equity Share Capital and 20.23% of the Voting Capital of SSGL that will constitute the share capital of SSGL from the Eligible Persons for the Offer. In the case of over subscription in the Offer, as per the SEBI (SAST) Regulations, acceptance would be determined on a proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.

2) In the event that (a) a statutory and regulatory approval is not received in a timely manner, (b) there is any litigation leading to a "stay" of the Offer, or (c) SEBI instructing the Acquirer not to proceed with the Offer, and then the Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the shareholders of SSGL whose Shares has been accepted in the Offer as well as the return of Shares not accepted by the Acquirer may be delayed. In case of the delay, due to non-receipt of statutory approvals, as per Regulation 22(12) of the SEBI (SAST) Regulations, SEBI may, if satisfied that the non-receipt of approvals was not due to willful default or negligence or failure to diligently pursue such approvals on the part of the Acquirer, grant an extension for the purpose of completion of the Offer subject to the Acquirer paying interest to the shareholders, as may be specified by SEBI.

3) Shareholders should note that after the last date of withdrawal i.e. Monday, January 24, 2011, the shareholders who have lodged the Shares would not be able to withdraw them even if the acceptance of Shares under the Offer and dispatch of consideration gets delayed. The tendered shares and documents would be held by the Registrar to the Offer, till such time as the process of acceptance of tenders and the payment of consideration is completed.

4) The Offer is subject to the receipt of statutory and regulatory approvals by the Acquirer, and wherever applicable, by the Target Company, in connection with the Offer. The Acquirer may not to be able to proceed with the Offer in the event the approvals are not received in terms of Regulation 27 of the SEBI (SAST) Regulations. Delay, if any, in the receipt of these approvals may delay completion of the Offer.

5) The Shares tendered in the Offer will be held in trust by the Registrar to the Offer until the completion of the Offer formalities. During such period, there may be fluctuations in the market price of the equity shares of SSGL. Accordingly, the Acquirer makes no assurance with respect to the market price of the shares both during the Offer Period and upon the completion of the Offer, and disclaims any responsibility with respect to any decision by any shareholder of SSGL on whether to participate or not to participate in the Offer.

6) SSGL(Target Company), Mr. Savjibhai D Patel (Seller) and Mrs. Usha S Patel (Seller) have been prohibited by SEBI from dealing in securities of S J Corporation Limited (BSE Code : 504398) in terms of directions issued under Section 11, 11(4) and 11B of the SEBI Act, 1992 read with Section 19 thereof read with Regulation 11 of SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 from buying, selling or dealing in the shares of S J Corporation Limited, either directly or indirectly in any manner till further direction in this regard vide ad interim ex-parte order passed by whole time member of SEBI w.e.f February 5, 2010. The Target Company, Mr. Savjibhai D Patel (Seller) and Mrs. Usha S Patel (Seller) have filed necessary submissions/appearance and based on the appearance SEBI confirmed the ex-parte order dated February 5, 2010 vide order no. WTM/KMA/ISD/343/12/2010 dated 24th December 2010 passed by whole time member.

B. IN ASSOCIATION WITH THE ACQUIRER

The Acquirer makes no assurance with respect to the financial performance of the Target Company. They also make no assurance with respect to the market price of the Shares upon the completion of the Offer, and disclaim any responsibility with respect to any decision by the Shareholders on whether or not to participate in the Offer.

The Acquirer does not accept any responsibility for statements made otherwise than in the Letter of Offer / Public Announcement and anyone placing reliance on any other sources of information (not released by the Acquirer) would be doing so at his / her / its own risk.

C. RISK IN THE TRANSACTION

The Share Purchase Agreement (SPA) dated September 17, 2010 contains a clause that it is subject to the provisions of SEBI (SAST) Regulations and in case of non-compliance with any of the provisions of the Regulations, the Seller or the Acquirer shall not act upon the agreement for such sale.

The Acquirer makes no assurance with respect to the market price of the Shares both during the Offer period and upon the completion of the Offer, and disclaims any responsibility with respect to any decision by any Shareholder on whether to participate or not to participate in the Offer.

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1. DEFINITIONS

1.	Acquirer or The Acquirer	Swarnsarita Jewellers Private Limited or "SJPL"
2.	Acquisition Agreement or SPA	Share Purchase Agreement dated September 17, 2010 for purchase of 14,70,509 fully paid up Equity Shares of Shyam Star Gems Limited Rs. 10/- each, representing up to 21.17% of Equity Share Capital and 21.47% of voting capital of SSGL from **Mrs. Usha S. Patel, Mr. Savjibhai D. Patel and M/s. Savjibhai Dungarshibhai Patel (H.U.F) ("Sellers**") by Acquirer at a price of Rs.14/- each per fully paid up Share.
3.	AGM	Annual General Meeting of the Company
4.	BSE	Bombay Stock Exchange Limited, Mumbai.
5.	Corrigendum	Corrigendum to the Public Announcement of the Offer issued in the news papers on Monday 3rd January 2011 by the Manager on behalf of Acquirer
6.	DPAC/DPACs	M/s. Sankalp Erectors & Builders Pvt. Ltd is deemed person acting in concert
7.	EPS	Earnings Per Share which is Profit After Tax / No. of Equity Shares.
8.	FEMA	Foreign Exchange Management Act, 1999 including related rules and regulations
9.	Form of Acceptance or FOA	Form of Acceptance cum Acknowledgement.
10.	Form of Withdrawal or FOW	Form of Withdrawal cum Acknowledgement.
11.	HDFC	HDFC Bank Limited
12.	Listing Agreement	Listing agreement as entered by the Target Company with the stock exchanges
13.	LOO, or Letter of Offer	This Offer Document.
14.	Manager to the Offer or, Merchant Banker	Comfort Securities Private Limited
15.	Negotiated Price	Rs. 14/-(Rupees Fourteen Only) per fully paid-up Equity Share of face value of Rs.10/- each.
16.	Net Asset Value/ Book Value per Share	(Equity Capital + Free Reserve excluding of Revaluation reserve – Debit balance in Profit & Loss a/c – Misc expenditure not written off) / No. of Equity Shares.
17.	Offer/Open Offer/ The Offer	Offer to acquire up to 13,89,080 Equity Shares of Rs. 10/- each representing 20.00 % of the total issued, subscribed and fully paid up equity share capital and 20.23% Voting Capital of the Target Company, to be acquired by the Acquirer, at a price of Rs. 18**/-** per Equity share payable in cash.
18.	Offer Price for fully paid up shares	Rs. 18/-(Rupees Eighteen Only) per fully paid up Share of Rs.10/- each payable in cash.
19.	Offer Price for partly paid up shares	Rs. 18/- per share. However Rs. 5/- will be paid to the company to make them fully paid up and the balance Rs. 13/- will be payable to partly paid up shareholder.
20.	Persons eligible to participate in the Offer/ Shareholders	Registered shareholders of Shyam Star Gems Limited, and unregistered shareholders who own the Shares of Shyam Star Gems Limited and the shareholders whose call money is pending which are partly paid up of the Target Company any time prior to the Offer closure other than the Acquirer, DPAC and Mrs. Shantaben Dungarshi Patel, Mr. Dungarshibhai Narshibhai Patel and M/s. Dungarshibhai Narshibhai Patel (HUF)

21.	Promoter/ Promoter Group	1. Mrs. Usha Savji Patel 2. Mrs. Shantaben Dungarshibhai Patel 3. Mr. Dungarshibhai Narshibhai Patel 4. M/s. Dungarshibhai Narshibhai Patel (HUF) 5. M/s. Savjibhai Dungarshibhai Patel (HUF) 6. Mr. Savji Dungarshibhai Patel
22.	POA	Power of Attorney
23.	Public Announcement or **"PA"**	Announcement of the Open Offer made by The Acquirer, which appeared in the newspapers on September 21, 2010.
24.	Public Shareholding	The Shares held by Shareholders other than those classified as the promoters of the Company in the latest shareholding pattern filed with the stock exchange
25.	RBI	Reserve Bank of India.
26.	Registrar or Registrar to the Offer	Sharex Dynamic (India) Private Limited.
27.	Return on Net worth	(Profit after Tax)/ (Equity Capital + Free Reserve excluding of Revaluation reserve– Debit balance in Profit & Loss a/c – Misc expenditure not written off).
28.	SEBI	Securities and Exchange Board of India
29.	SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto.
30.	SEBI Act	Securities and Exchange Board of India Act, 1992.
31.	SEBL	Sankalp Erectors & Builders Pvt. Ltd
32.	Sellers	Smt. Usha S. Patel, Shri Savjibhai D. Patel and M/s. Savjibhai Dungarshibhai Patel (H.U.F)
33.	Shares	Equity shares of Rs. 10/- (Rupees Ten only) each of the Target Company
34.	Specified Date	Saturday,16th October, 2010
35.	SSGL/Target Company / [TARGET CO.]	Shyam Star Gems Limited

CURRENCY OF PRESENTATION

In this Letter of Offer, all references to "Rs." are to the reference of Indian National Rupees ("INR"). Throughout this Letter of Offer, all figures have been expressed in "Lacs" unless otherwise specifically stated. In this Letter of Offer, any discrepancy in any table between the total and sums of the amount listed are due to rounding off.

2. DISCLAIMER CLAUSE

"IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF ZENZY TECHNOCRATS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. THE SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER, OR THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER DULY DISCHARGES THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER, COMFORT SECURITIES PRIVATE LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED 1ST OCTOBER 2010 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES & TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER."

3. DETAILS OF THE OFFER

3.1 Background of the Offer

3.1.1 This Open Offer ("Offer") is being made by **M/s. Swarnsarita Jewellers Private Limited** *(" the Acquirer")* a company incorporated and duly registered under the Companies Act, 1956 who is the sole acquirer under the offer to the equity Shareholders of **M/s. Shyam Star Gems Limited** *("SSGL" or the "Target Company")* a company incorporated and duly registered under the Companies Act, 1956, and having its registered office at 01, "Shyam Bungalow", Plot No. 199/200, Pushpa Colony, Fatimadevi School Lane, Manchubhai Road, Malad (East), Mumbai-400 097, Tel.: 022-28449514 Fax No.: 022-28449514 Email id: shyamstargems@yahoo.com pursuant to the Regulation 10 and Regulation 12 and in compliance with the SEBI (SAST) Regulations, 1997.The Acquirer proposes to do a substantial acquisition of shares of SSGL pursuant to the SPA and this Offer and takeover the management control of SSGL.

3.1.2 The Acquirer hereby makes this Offer to the Shareholders of the Target Company (other than the parties to the SPA) to acquire up to 13,89,080 fully paid up equity shares including the shares on which the call money is pending ("Shares") of the Target Company of Rs.10/- each, representing in aggregate 20.00% of the paid up equity share capital and 20.23% of voting capital, at a price of Rs. 18/- (Rupees Eighteen only) per share ("Offer Price") payable in cash subject to the terms and conditions mentioned in the PA and in this Letter of Offer

3.1.3 M/s. Sankalp Erectors & Builders Pvt. Ltd, the holding company of acquirer is deemed person acting in concert **("DPAC")** with the Acquirer within the meaning of Regulation 2 (1) (e) of the SEBI (SAST) Regulations. However DPAC is not a party to the open offer/SPA.

3.1.4 The Acquirer has entered into a Share Purchase Agreement **(SPA)** with **Mrs. Usha S. Patel, Mr. Savjibhai D. Patel and M/s. Savjibhai Dungarshibhai Patel (H.U.F)** (hereinafter referred to as ("**Sellers**") on 17th September, 2010 to acquire 14,70,509 fully paid up Shares ("**Sale Shares**") and management control of **Shyam Star Gems Limited**, which represents up to 21.17% of the issued equity share capital and 21.41% of voting capital of SSGL at a price of Rs. 14/- (Rupees Fourteen Only) per fully paid up Share (**Negotiated Price**) payable through **Cash.** This SPA has triggered the open offer requirement under SEBI (SAST) Regulations. The total consideration payable in cash for the proposed acquisition will be Rs. 2,05,87,126/- (Rupees Two Crore Five Lakhs Eighty Seven Thousand One Hundred and Twenty Six Only). The Sellers belongs to the Promoter group of the Target Company.

3.1.5 The details of the Sellers are as under:

Sr. No	Name & Address	Tel. No.	Fax No.	No. of Shares	% of issued capital of Target Company	% of Voting Capital of Target Company
1.	**Smt. Usha S. Patel** Address: 304, Parvati Apartments, Gaushala Lane, Malad (East), Mumbai-400 097	022-28813472	022-28449514	7,37,500	10.62	10.74
2.	**Shri. Savjibhai D. Patel** Address: 304, Parvati Apartments, Gaushala Lane, Malad (East), Mumbai-400 097	022-28813472	022-28449514	6,47,909	9.33	9.43
3.	**Savjibhai Dungarshibhai Patel (H.U.F)** Address: 304, Parvati Apartments, Gaushala Lane, Malad (East), Mumbai-400 097	022-28813472	022-28449514	85,100	1.22	1.24
	Total			**14,70,509**	**21.17**	**21.41**

3.1.6 The salient features of the SPA dated **September 17, 2010** are as under:

3.1.6.1 The SPA is subject to compliance of provisions of SEBI(SAST) Regulations and in case of non compliance with the provisions of SEBI(SAST) Regulations this SPA shall not be acted upon.

3.1.6.2 The obligations of the Seller and the Acquirer under the SPA are subject to the satisfaction of, or if applicable, waiver of the following conditions precedent:

- The SPA is subject to the compliances of provisions of SEBI (SAST) Regulations and in case of non compliances with the provisions of SEBI (SAST) Regulations, this SPA shall not be acted upon.
- This agreement shall be binding on the parties, their heirs, legal representatives, executors and successors.
- that the Sale Shares under the SPA are free from all charges, encumbrances or liens;
- the sellers agree to execute an indemnity bond separately to indemnify for all the liabilities pertaining to Shyam star Gems Limited, before the effective date.
- the acquirer agrees not to transfer the shares in his name or any of his nominee(s), or in any other manner whatsoever, till the completion of his obligations envisaged under the regulations.
- the acquirer/sellers agrees to diligently provide all information within his power and possession to give true and proper disclosures to SEBI, Stock Exchanges and to the shareholders

3.1.7 Upon completion of this Open Offer in terms of the SEBI (SAST) Regulations, the change of control of Target Company shall be effected.

3.1.8 The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B of the SEBI Act or under any of the Regulations made under the SEBI Act.

3.1.9 SSGL(Target Company), Mr. Savjibhai D Patel (Seller) and Mrs. Usha S Patel (Seller) have been prohibited by SEBI from dealing in securities of S J Corporation Limited (BSE Code : 504398) in terms of directions issued under Section 11, 11(4) and 11B of the SEBI Act, 1992 read with Section 19 thereof read with Regulation 11 of SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 from buying, selling or dealing in the shares of S J Corporation Limited, either directly or indirectly in any manner till further direction in this regard vide ad interim ex-parte order passed by whole time member of SEBI w.e.f February 5, 2010. The Target Company, Mr. Savjibhai D Patel (Seller) and Mrs. Usha S Patel (Seller) have filed necessary submissions/appearance and based on the appearance SEBI confirmed the ex-parte order dated February 5, 2010 vide order no. WTM/KMA/ISD/343/12/2010 dated 24th December 2010 passed by whole time member.

3.1.10 Swarnsarita Jewellers Private Limited is the Acquirer in this Offer and M/s. Sankalp Erectors & Builders Pvt. Ltd , the holding company of acquirer is the deemed Person acting in Concert (DPAC's) with the Acquirer in respect of this Offer. However DPAC is not a party to the open offer/SPA

3.1.11 The Shares of the Target Company are listed only at Bombay Stock Exchange Limited (BSE).

3.1.12 As per the Sock Exchange latest filings made with the BSE, the Sellers Smt. Usha S. Patel, Shri Savjibhai D. Patel and Savjibhai Dunagrshibhai Patel (H.U.F) are being defined under the Promoter Group category along with the other promoters of the Target Company.

3.1.13 The Acquirer has acquired 401,752 (5.78%) Equity Shares of the Target Company during the twelve (12) months period prior to the date of PA.

3.1.14 As on the date of PA, the Acquirer hold 401,752 Equity Shares aggregating to 5.78% of the issued capital of the company and 5.85% of the voting rights of the Target Company other than the Shares agreed and proposed to be acquired through the SPA.

3.1.15 The Manager to the Open Offer i.e. Comfort Securities Private Limited does not hold any Shares in the Target Company as on the date of appointment as Manager to the Open Offer. They declare and undertake that they shall not deal in the Shares of the Target Company during the period commencing from the date of their appointment as Manager to the Open Offer till the expiry of 15 days from the date of closure of Open Offer.

3.1.16 The Regulation 22(9) is not applicable in present offer as on date.

3.1.17 There is no non-compete arrangement and/or agreement between the Acquirer and the Sellers.

3.2 Details of the Proposed Offer

3.2.1 The Acquirer has made a Public Announcement on September 21, 2010 in the following newspapers in accordance with the Regulation 15 (1) and pursuant to Regulation 10 and 12 of SEBI (SAST) Regulations, 1997. A Corrigendum to the Public Announcement was also published on Monday 3rd January, 2011 in the same following news papers.

Name of the Newspaper	Language	Editions
The Financial Express	English	All Editions
Jansatta	Hindi	All Editions
Navshakti	Marathi	Mumbai

The Public Announcement and Corrigendum to the Public Announcement is also available on the SEBI website at www.sebi.gov.in.

3.2.2 The Acquirer is making this Open Offer under the SEBI (SAST) Regulations, to acquire up to 13,89,080 Shares of Rs. 10/- each including the shares on which the call money is pending representing up to 20.00 % of the total issued, subscribed and fully paid up equity share capital and 20.23% of Voting Capital of Rs. 10/- each from the Shareholders of SSGL, on the terms and subject to the conditions set out in this Letter of Offer, at a price of Rs. 18/- (Rupees Eighteen only) payable in cash. These Shares are to be acquired by the Acquirer, free from all liens, charges and encumbrances and together with all voting rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.

3.2.3 The total Issued, subscribed and paid-up equity share capital of the Target Company:

Paid-up Equity Shares of Target Company	No. of Shares / Voting Rights	% of Share / Voting Rights
Fully Paid-up Equity Shares	6866900	98.87
Partly Paid-up Equity Shares	78500	1.13
Total Equity Shares	6945400	100.00
Total Voting Rights in Target Company (Issued Capital)	**6866900**	**98.87**

As on date of PA, There is a call in arrears and allotment money due of Rs. 3,92,500 (Rupees Three Lakhs Ninety Two thousand Five Hundred only)on 78,500 Equity Shares and these shares does not carry voting rights.

3.2.4 **The Offer is not subject to any minimum level of acceptances from the Shareholders i.e. it is not a conditional offer.**

3.2.5 **This is not a competitive Bid.**

3.2.6 The Offer is not as a result of any exercise regarding global acquisition which culminates in the indirect acquisition of control over, or acquisition of equity shares or voting rights in, the Target Company.

3.2.7 The Acquirer has not acquired any Shares in the Target Company since the date of Public Announcement i.e**.** September 21, 2010, up to the date of Letter of Offer.

3.2.8 The Offer is subject to the terms and conditions set out herein and the Public Announcements made by the Acquirer from time to time in this regard.

3.2.9 Mr. Dungarshibhai Narshibhai Patel (holding 482799) Mrs. Shantaben D Patel (holding 340200) and M/s. Dungarshibhai Narshibhai Patel HUF (holding 75000) are also existing promoters of the SSGL along with the Sellers. However they have not agreed to sell their shares to the SJPL pursuant to the SPA. In addition to that they have also undertaken that not to participate in this Open Offer. Hence, pursuant to change in control of the Target Company Mr. Dungarshibhai Narshibhai Patel (holding 482799) Mrs. Shantaben D Patel (holding 340200) and M/s. Dungarshibhai Narshibhai Patel HUF (holding 75000) will be categorized under Public category. Further they undertake that they will not exercise control of the management of the Target Company on the completion of all Takeover formalities.

3.3 Object of the Offer:

3.3.1 The Offer is being made pursuant to signing of the SPA as provided in Para 3.1.4 above and is being made in accordance with Regulations 10 and 12 of the SEBI (SAST) Regulations.

3.3.2 The Offer to the Shareholders of Shyam Star Gems Limited is for the purpose of acquiring up to 20.00 % of the total issued, subscribed and fully paid up capital and 20.23% of the Voting Capital. After the proposed Offer, the Acquirer will achieve substantial acquisition of Shares and voting rights, accompanied with effective management control over the Target Company.

3.3.3 The Acquirer intends to continue the existing business of the Target Company i.e engaged in Export, Import manufacturing of rough and polished diamonds and diamonds studded Gold and Silver jewellery.

3.3.4 The Acquirer may undertake requisite corporate actions relating to the Target Company in future to restructure its business, with the prior approval of the Shareholder, if and to the extent required, of the Target Company. However, no concrete decision has been taken so far in this regard.

3.3.5 The Acquirer intends to make changes in the management and board of directors of the Target Company after completion of the Open Offer.

4. BACKGROUND OF THE ACQUIRER & DPAC

BACKGROUND OF THE ACQUIRER :

4.1 The company was incorporated on September 8, 2000 as a Swarnsarita Jewellers Private Limited (SJPL) with the Registrar of Companies, Mumbai, Maharashtra under the Companies Act, 1956. The name of the company was changed to Signet Jewels Private Limited and obtained the certificate of incorporation consequent to change in the name of the company from the Registrar of Companies, Mumbai, Maharashtra on June 12, 2002. Subsequently the name of the company was further changed to Swarnsarita Jewellers Private Limited and obtained the fresh certificate of incorporation from the Registrar of Companies, Mumbai, Maharashtra on 10th October 2005. The Registered Office of the Company is situated at 1st Floor, 17/19 Dhanji Street, Zaveri Bazar, Mumbai- 400 003 Tel No. (022)-23474848, 23474849, 22417222 Fax No. 022-23470347 and email address of the company is: swarnsarita@gmail.com. It is a sole Acquirer.

4.2 The SJPL is engaged in the business of Manufacturing, Importers, Exporters, Dealers, Commission agents and indenting agents in all kinds of gold, precious stones, pearls, gems, silver & platinum and also in ornaments & articles whether studded or not studded with precious stones and/or artificial stones, gems, pearls, and artificial jeweller, ornaments and articles for a period of 10 years.

4.3 The present promoters of the SJPL are Mr. Mahendra M. Chordia and Mr. Sunil G. Jain

4.4 The Acquirer has acquired 4,01,752 equity shares/ voting rights which is representing 5.78% of the fully paid equity shares and 5.85% of voting rights of the Target Company for that the Acquirer has complied with the Chapter II Compliances of SEBI (SAST) Regulations for acquisition of Shares.

4.5 As per the latest audited financials for the year ended on March 31, 2010, SJPL had a Total Turnover of Rs. 42,50,91,497/- and a net profit/ (loss) after tax of Rs. 33,29,484/-. Its Earning per Share was Rs. 2.80 and the return on net worth was 4.87% while the book value per share stood at Rs. 57.59.

4.6 The Authorized Share Capital of SJPL as on March 31, 2010 is Rs. 1,50,00,000/- (Rupees One Crore Fifty Lakhs only), comprising of 15,00,000 Equity shares of Rs. 10/- (Rupees Ten only) each. The paid-up capital of the SJPL as on date of P.A. is Rs. 1,18,79,000/- divided into 11,87,900 fully paid up equity shares of Rs. 10/- each.

4.7 Shareholding pattern of SJPL as on date of PA **21.09.2010** are as under: -

Sr. No.	Shareholders' Category	No. of Shares	% of Shares held
1.	Promoters/ Associates	1,87,900	15.82
2.	FII/ Mutual Funds/ FIS/ Banks	Nil	Nil
3.	Bodies Corporate (Sankalp Erectors & Builders Private Limited)*	10,00,000	84.18
	Total	**11,87,900**	**100.00**

* Promoter of Sankalp Erectors & Builders Private Limited is Mr. Mahendra Chordia.

4.8 The board of directors of SJPL as on the date of P.A. date is as follows:-

S. No.	Name of the Director	Designation	Residential Address	Date of Appointment	DIN No.	Qualification	Experience in years and field	No of Shares Held in the company
1.	Mr. Mahendra Madanlal Chordia	Director	603, Padamnabh Darshan, Gopal Lane, M.G. Road, Ghatkoper (West), Mumbai-400086	08/09/2000	00175686	B.COM	20 Years of experience in Jewellery field.	51,600
2.	Mr. Sunil Ghewarlal Jain	Director	B-15, Vallabh Society, Tilak Road, Ghatkoper (East), Mumbai-400077	30/04/2004	00175748	HSC	15 Years of experience in Jewellery field.	21,700

4.9 None of above directors is on the board of directors of Target Company.

4.10 The company is a Private Company and is not listed on any Stock Exchanges.

4.11 The Acquirer has acquired 4,01,752 equity shares/voting rights which is representing 5.78% of the fully paid equity shares and 5.85% of voting power of the Target Company during the twelve (12) months period preceding the date of this Public Announcement. The Acquirer has acquired 4,01,752 fully paid equity shares for total consideration of Rs. 67,60,433.60 through market purchase, for which the highest price paid is Rs. 16.90 (Excluding brokerage and other charges) per equity share.

4.12 The Regulation 22(9) is not applicable to Acquirer in the present Offer as on date.

4.13 SJPL has not undergone for any merger/de-merger, spin-off during the past three years.

4.14 The brief audited financials of SJPL are as under: -

(Amount in Rupees)

Profit & Loss Statement	Year Ended 31.03.2008 (Audited)	Year Ended 31.03.2009 (Audited)	Year Ended 31.03.2010 (Audited)	Six months Ended 30.09.2010 (Unaudited & Certified by the Auditor)
Income from Operations	249,782,049	292,198,290	425,033,710	285,618,123
Other Income	-	19,909	57,787	40,180
Total Income	249,782,049	292,218,199	425,091,497	285,658,303
Total Expenditure	246,982,673	288,340,061	420,254,363	280,347,063
Profit (Loss) before Depreciation, Interest and Tax	4,336,256	6,153,086	8,110,736	5,311,240
Depreciation	223,322	232,110	151,141	52,290
Interest (Int on Other loan and Bank Loan)	1,313,558	2,042,838	3,122,461	1,615,960
Profit before Tax	2,799,376	3,878,138	4,837,134	3,642,990
Provision for FBT	12,649	13,144	-	-
Provision for Tax	878,381	1,200,701	1,507,650	-
Earlier Year	66	-	-	-
Profit after Tax	1,908,280	2,664,293	3,329,484	3,642,990

(Amount in Rupees)

Balance Sheet Statement	Year Ended 31.03.2008 (Audited)	Year Ended 31.03.2009 (Audited)	Year Ended 31.03.2010 (Audited)	As on 30.09.2010 (Unaudited & Certified by the Auditor)
Sources of Funds				
Paid up Share Capital	11,879,000	11,879,000	11,879,000	11,879,000
Reserves & Surplus (Excluding Revaluation Reserve)	50,554,380	53,218,673	56,548,156	60,191,149
Secured Loan	10,054,156	13,103,398	20,058,711	64,041,558
Unsecured Loan	15,700,000	13,210,000	30,986,000	45,917,500
Current Liabilities	27,988,384	34,570,696	48,942,491	52,472,619
Deferred Tax Liability	-	-	-	-
TOTAL	**116,175,920**	**125,981,767**	**168,414,358**	**234,501,826**
Uses of Funds				
Net Fixed Assets	828,304	706,984	573,487	648,525
Deferred Tax Asset	24,638	39,994	49,703	49,703
Investments	318,850	508,450	508,450	7,300,411
Net Current Assets	114,949,586	124,691,688	167,267,959	226,488,428
Miscellaneous Expenses not written off	54,542	34,650	14,759	14,759
TOTAL	**116,175,920**	**125,981,767**	**168,414,358**	**234,501,826**

Other Financial Data	Year Ended 31.03.2008 (Audited)	Year Ended 31.03.2009 (Audited)	Year Ended 31.03.2010 (Audited)	Six months Ended 30.09.2010 (Certified by the Auditor)
Net Worth (Rs.)	62,378,839	65,063,023	68,412,397	72,055,390
Dividend (%)	-	-	-	-
*Earning Per Share (Rs.)	1.61	2.24	2.80	3.07
Return on Net worth (%)	3.06	4.09	4.87	5.06
Book Value Per Share	52.51	54.77	57.59	60.66

**EPS for the six months ended September 30, 2010 is not annualised.*

Note : Provision for Tax for F.Y 2010-11 will be made at the year end.

Note : Certified by the Statutory Auditors of the Company

There is no contingent liabilities for the year ended 31st March, 2010 as well as on the date of Public Announcement i.e on 21st September 2010

4.15 SJPL is not a sick company.

4.16 Significant Accounting Policies adopted by the Acquirer:

1. **Recognition of Revenue:**
   The Financial statements are prepared under the historical cost convention, on accrual basis of accounting, in conformity with the accounting principles generally accepted in India and comply with the accounting standards referred to in Section 211 (3C) of the Companies Act, 1956 of India.

2. **Fixed Assets:**
   Fixed Assets are stated at historical cost of acquisition/construction less depreciation, attributable interest and expenses of bringing the respective assets working condition for their intended commercial use are capitalized.

3. **Depreciation**
   Depreciation is charged at written down value method at the rates prescribed in Schedule XIV of the Companies Act, 1956.

4. **Preliminary Expenses**
   Preliminary Expenses are amortized over a period of ten years.

5. **System of Accounting**
   Company has followed Mercantile Method of Accounting except for dividend receipt, if any.

6. **Deferred Tax**
   Deferred tax resulting from timing difference between book and tax profits is accounted for under the liability method, at the current rate of tax, to the extent that the timing differences are expected to crystallize.

7. **Provision for taxation**
   Provision for taxation has been made as per the normal provision of the Income Tax Act, 1956.

4.17. Other details about acquirer

4.17.1 As per the Regulation 16(ix) of the SEBI(SAST) Regulations, the Acquirer do not have any plans to dispose of or otherwise encumber any assets of the Target Company in the next 2 (two) years, except in the ordinary course of business of the Company Other than in the ordinary course of business, the Acquirer undertake that it shall not sell, dispose of or otherwise encumber any substantial asset of the Target Company except with the prior approval of the shareholders at a General Body Meeting of the Target Company, if required.

4.17.2. The Acquirer proposes to continue existing business of the Target Company and may diversify its business activities in future with prior approval of Shareholders. The main purpose of takeover is to expand the company's business activities in same line through exercising the effective management and control over the Target Company. However, no firm decision in this regard has been taken or proposed so far.

BACKGROUND OF DPAC :

4.18 **DETAILS OF THE DPAC/ HOLDING COMPANY** : **M/s. Sankalp Erectors & Builders Private Limited**

M/s. Swarnsarita Jewellers Private Limited is the subsidiary company of M/s. Sankalp Erectors & Builders Private Limited.

4.18.1 The Company was incorporated on March 3, 2008 as Sankalp Erectors & Builders Private Limited (SEBL) with the Registrar of Companies, Mumbai, Maharashtra under the Companies Act, 1956. The Registered Office of the Company is situated at 3C, Ruby Chambers, 3rd floor, 40 / 42 Dhanji Street, Zaveri Bazar, Mumbai-400 002 Telephone :022-22096000 fax:022- 220950000 Email: ravindraratanpal@bhalawat.com.

4.18.2 The SEBL is in the business of Erectors, Construction and Building Development. However, the company has not yet commenced the business activities since the date of incorporation.

4.18.3 The present promoter of the SEBL is Mr. Mahendra Chordia

4.18.4 The present directors of the SEBL are Mr. Mahendra Chirodia and Mr. Pravin Jain

4.18.5 The Authorized Share Capital of SEBL as on March 31, 2010 is Rs. 1,00,000/- (Rupees One Lakh only), comprising of 10,000 Equity shares of Rs. 10/- (Rupees Ten only) each. The paid-up capital of the SEBL as on date of P.A. is Rs. 1,00,000/- divided into 10,000 fully paid up equity shares of Rs. 10/- each.

4.18.6 The brief financials are as follows:

(Amount in Rupees)

PARTICULARS	Year Ended 31.03.2009 (Audited)	Year Ended 31.03.2010 (Audited)
Equity Share Capital	100000	100000
Reserves excluding Revaluation reserves	Nil	Nil
Less :Misc. Expenditure written off	7642	5741
P & L A/C (Dr. Balance)	4107	8214
Total	88251	86045
Total Income	Nil	Nil
Profit /(Loss) After Tax (PAT)	(4107)	(4107)
Earning Per Share (EPS)	(0.41)	(0.41)
Net Asset Value (NAV) per share	8.83	8.60

4.18.7 SEBL has not acquired any Shares of the Target Company during the Twelve (12) month period prior to the date of PA.

4.18.8 DPAC is not a party to the Open Offer / SPA

5 DISCLOSURE UNDER REGULATION 21(2)

Pursuant to this offer, the Offer will not result in public shareholding being reduced to less than a level below the limit (i.e. 25%) specified in the Listing Agreement with the Stock Exchange for the purpose of listing on continuous basis. The Acquirer does not have any intention to delist for next three years.

6 BACKGROUND OF THE TARGET COMPANY

6.1 SSGL was originally incorporated as Shyam Star Gems Private Limited on 25th August 1992 *vide* certificate of incorporation issued by the Registrar of Companies, Mumbai, Maharashtra. This Private Limited Company was converted to a Limited Company. The name of the company was changed from Shyam Star Gems Private Limited to **Shyam Star Gems Limited** on 11th December 1992 and a fresh Certificate of Incorporation was obtained from the Registrar of the Companies, Mumbai Maharashtra on 25th February 1993. The Registered & Corporate Office of the company is situated at 01, "Shyam Bungalow", Plot No.199/200, Pushpa Colony, Fatimadevi School Lane, Manchubhai Road, Malad (East), Mumbai: 400 097. Tel No. 022-28449514 Fax No. 022-28449514 and Email id: shyamstargems@yahoo.com.

6.2 The Sellers are categorised under the promoter group of SSGL along with the other promoters and holds 21.17% of the Issued Share Capital and 21.41% voting rights of SSGL.

6.3 SSGL is engaged in the business of in Export, Import manufacturing of rough and polished diamonds and diamonds studded Gold and Silver jewellery.

6.4 As per the latest audited financials for the year ended on March 31, 2010, SSGL had a Total Turnover of Rs. 4,94,78,294/- and a Net Profit/ (Loss) after tax of Rs. (18,670,496). Its Earning per Share was Rs. (2.69) and Return on Net worth was (4.11) % while the Book value per share stood at Rs. 65.85.

6.5 The authorized share capital of SSGL as on date of PA is Rs. 15,00,00,000 (Rupees Fifteen Crore only), comprising of 1,50,00,000 equity shares bearing a face value of Rs 10/- (Rupees ten only) each. The Issued Share capital of the Company is Rs. 6,94,54,000/- (Rupees Six Crore Ninety Four Lacs Fifty Four Thousand only) divided into 69,45,400 Equity shares of Rs. 10/- each.

Paid up Equity Shares of SSGL	No. of Equity Shares/ Voting rights	% of Shares / voting rights
Fully paid-up Equity Shares	6866900	98.87
Partly paid-up Equity Shares	78500	1.13
Total Equity Shares	6945400	100.00
Total Voting Rights in the Target Company	6866900	98.87

As on date of PA, There is a call in arrears and allotment money due of Rs. 3,92,500 (Rupees Three Lakhs Ninety Two thousand Five Hundred only)on 78,500 Equity Shares and these shares does not carry any voting rights.

6.6 The current capital structure of the Company has been build up since inceptions are as under:

Date of allotment	No of shares issued	% of shares issued	Cumulative paid up capital in Rs.	Mode of allotment	Identity of allottees (promoters/ ex-promoters/ others)	Status of compliance
25/08/1992	20	0.00	200	Cash	Subscriber to the Memorandum	No compliance is
01/10/1992	900000	12.96	9000200	Cash	Promoters/Directors/their Friends & Relatives	
24/10/1992	65300	0.94	9653200	Cash	Promoters/Directors/their Friends & Relatives	

31/07/1993	537766	7.74	15030860	Cash	Promoters/Directors/their Friends & Relatives	pending
31/08/1993	492314	7.09	19954000	Cash	Promoters/Directors/their Friends & Relatives	
04/01/1994*	3250000	46.79	52454000	Cash	Public issue	
11/06/2007	1700000	24.48	69454000	Cash	Preferential Allotment	
TOTAL	**6945400**	**100.00**				

***** Public Issue Opening date have been taken.

6.7 The Equity Shares of the SSGL are listed only on BSE and are not suspended for trading by BSE.

6.8 The shareholders holding 78,500 equity shares of Rs. 10/- each which are partly paid up on which calls in arrear of Rs. 5/- per share due to the company shall also be eligible to participate in the offer. However out of offer price of Rs. 18/-, Rs. 5/- will be paid to the Company towards balance call money to make them fully paid-up and Rs. 13/- will be paid to the respective shareholders.

6.9 There are no outstanding convertible instruments / warrants.

6.10 There was a delay in filing of compliances under Regulation 6(2), 6(4) for the year 1997 and 8(3) for the period 1997-2003 by the Target Company. The Company has filed the above compliances on 15th March 2004. However the company has filed revised 8(3) for the year 2000 and 2001 on 13th September 2010 and for the year 2004 the company has filed 8(3) on 8th September 2004.

There was a revision in annual filing for 8(3) for the year 2005, 2008 & 2009 which was submitted on 20/06/2005 and 28/09/2010 respectively and there was also in delay for filing of 8(3) reporting for declaration of dividend as on the Record date for the year 2007, 2008 and 2009 which were filed on 30th August 2010. However the company has filed revised forms for the declaration of divided as on the Record date for the year 2008, 2009 on 28/09/2010.

There was a non compliance by the promoter of the company with regard to regulation 7(1A) of Takeover Regulations in the financial year 2002- 2003.

SEBI may initiate suitable action at later stage for the delay in aforesaid compliances against the Target Company.

6.11 The SSGL has complied with requirements of the Listing Agreement and no penal action is initiated by the BSE, where its Shares are listed.

6.12 The composition of the board of directors of SSGL as the date of P.A i.e. 21st September, 2010 is as follows:

Sr. No.	Name of Director	Designation	Residential Address	Date of Appointment	Qualification	DIN No.	Experience in years and field
1	Mr. Savji Dungarshibhai Patel	Managing Director	304, Parvati Apts. Gaushala Lane, Malad(E), Mumbai-400097	25/08/1992*	B.SC.-(TECH)	01671461	More Than 25 Years Of Experience In The Field Of Diamond Gem & Jewellery Industries.
2	Dr. Bhanuchandra Manilal Mewada	Non-Executive Director & Independent	Flat No. A-202, Adardsh Galaxy, Adarsh Dugdhalaya Lane, Marve Road, Malad(W), Mumbai - 400064	29/04/2005	M.B.B.S.	01675641	He is a Practising M.B.B.S. And Also Having 20 Years Of Experience In The Field Of Finance.

3	Mr. Vallabh Narshibhai Patel	Executive Director	501, Hari Smruti, Khandwala Lane, Daftari Road, Malad (E), Mumbai - 400097.	26/08/1992**	T.Y.-B.COM	01675552	More Than 30 Years Of Experience In The Diamond Industries & Finance Related Works.
4	Mr. Rajesh Jaysinglal Shah	Non-Executive Director & Independent	3/23, Unnat Nagar No. 2, M.G Road, Goregaon (W). Mumbai - 400062	20/03/2003	T.Y.-B.COM	01675656	More Than 23 Years Of Experience In The Field Of Diamond Industries.
5	Mr. Rajiv Navinchandra Shah	Non-Executive Director & Independent	403, Ankur / A, 51 St, T.P.S. Road, Borivali [W], Mumbai 400092.	26/02/2008	T.Y.-B.COM FCA	01765200	More Than 15 Years Of Experience In The Audit & Finance Related Works.
6	Mr. Ramesh Mohanbhai Patel	Chairman & Non Executive Director	"Shyam 2", Plot No.199/200, Pushpa Colony,Manchubhai Rd, Malad (E), Mumbai – 400 097.	06/11/2008	H.S.C.	01750283	More Than 20 Years Of Experience In The Field Of Diamond Industries.

*Mr. Savji Dungarshibhai Patel is the director from the date of incorporation of the company i.e from 25th August 1992. However he has been appointed as Managing Director of the company w.e.f 24th January 2006

** Mr. Vallabh Narshibhai Patel is director w.e.f 26th August 1992. However he has been appointed as Executive Director of the company w.e.f 24th January 2006

6.13 The Shareholding pattern of the SSGL, as on the date of this PA is as follows :

SHAREHOLDER CATEGORY	NUMBER OF EQUITY SHARES OF THE TARGET COMPANY	PERCENTAGE OF EQUITY SHARE CAPITAL
Promoter	23,68,508	34.10
Public	45,76,892	65.90
Total	**69,45,400**	**100.00**

6.14 SGL(Target Company), Mr. Savjibhai D Patel (Seller) and Mrs. Usha S Patel (Seller) have been prohibited by SEBI from dealing in securities of S J Corporation Limited (BSE Code : 504398) in terms of directions issued under Section 11, 11(4) and 11B of the SEBI Act, 1992 read with Section 19 thereof read with Regulation 11 of SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 from buying, selling or dealing in the shares of S J Corporation Limited, either directly or indirectly in any manner till further direction in this regard vide ad interim ex-parte order passed by whole time member of SEBI w.e.f February 5, 2010. The Target Company, Mr. Savjibhai D Patel (Seller) and Mrs. Usha S Patel (Seller) have filed necessary submissions/appearance and based on the appearance SEBI confirmed the ex-parte order dated February 5, 2010 vide order no. WTM/KMA/ISD/343/12/2010 dated 24th December 2010 passed by whole time member.

6.15 There has been no merger / de-merger, spin-off during the past three years in SSGL.

6.16 There are no pending litigations against SSGL.

6.17 Audited financial information of SSGL for the financial year ended on March 31, 2008, 2009, 2010 and unaudited financial results certified by the auditor for the six months ended 30.09.2010 is given below:

(Amount in Rupees)

Profit & Loss Statement	Year Ended 31.03.2008 (Audited)	Year Ended 31.03.2009 (Audited)	Year Ended 31.03.2010 (Audited)	Six months Ended 30.09.2010 (unaudited & Certified)
Income from Operations	864,033,019	1,058,427,865	48,399,793	4,01,90,265
Other Income	46,660,087	13,310,030	1,078,501	1,23,75,767
Total Income	910,693,106	1,071,737,895	49,478,294	5,25,66,027
Total Expenditure	706,789,997	902,804,963	67,319,874	3,77,66,147
Profit (Loss) before Depreciation, Interest and Tax	203,903,108	168,932,932	(17,841,580)	1,47,99,880
Depreciation	481,191	790,215	790,987	392,731
Interest	76,701	107,172	53,399	7,767
Profit before Tax	203,345,216	168,035,545	(18,685,966)	1,43,99,382
Provision for FBT	55,000	70,000	-	-
Provision for Tax	5,500,000	-	-	25,00,000
Earlier Year Provision Written Back	(58,080)	-	-	-
Deferred Tax Liability / (Asset)	680	3,780	(15,470)	-
Profit after Tax	197,847,616	167,961,765	(18,670,496)	1,18,99,382

Balance Sheet Statement	As on 31.03.2008 (Audited)	As on 31.03.2009 (Audited)	As on 31.03.2010 (Audited)	As on 30.09.2010 (unaudited & Certified)
Sources of Funds				
Paid up Share Capital	**69,038,500**	**69,061,000**	**69,061,500**	**69,061,500**
Advance Against Equity Share Warrant	6,750,000	6,750,000	-	-
Reserves & Surplus	238,573,369	401,659,670	385,689,702	39,75,89,084
Secured Loan	1,297,017	731,374	256,413	-
Unsecured Loan	-	-	-	-
Current Liabilities	285,679,668	90,109,339	16,535,330	6,59,73,890
Deferred Tax Liability	89,970	93,750	78,280	78,280
TOTAL	**601,428,524**	**568,405,133**	**471,621,225**	**53,27,02,754**
Uses of Funds				
Net Fixed Assets	10,590,063	9,873,027	85,560,190	8,51,67,459
Investments	4,730,933	9,485,291	207,810,355	19,40,01,756
Net Current Assets	586,107,528	549,046,815	178,250,680	25,35,33,539
TOTAL	**601,428,524**	**568,405,133**	**471,621,225**	**53,27,02,754**

Other Financial Data	Year Ended 31.03.2008 (Audited)	Year Ended 31.03.2009 (Audited)	Year Ended 31.03.2010 (Audited)	Six months Ended 30.09.2010 (unaudited & Certified)
Net Worth (Rs.)	314,361,869	477,470,670	454,751,202	46,66,50,584
Dividend (%)	12	6	5	-
Earning Per Share (Rs.)	29.95	24.18	(2.69)	1.71
Return on Networth (%)	62.94	35.18	(4.11)	2.55
Book Value Per Share	45.53	69.14	65.85	67.57

Note : Certified by the Statutory Auditors of the Company

There is no contingent liabilities for the year ended 31st March, 2010 as well as on the date of Public Announcement i.e on 21st September 2010

Reason for fall/rise in total income and profit after tax are as follows:

In the Financial Year 2007-2008, the Company had started jewellery business. The World economy was growing at that time and due to the better economy & good demand of jewellery, company made profit of Rs. 19.78 Crores.

In the Financial Year 2008-2009, there was great recession in the world economy. During that period company's sales was improved but due to recession and lower demand of jewellery, profit is down to Rs. 16.80 Crores.

In the Financial Year 2009-2010, the Company's turnover is very low because the Company had given credit to the companies clients during the Previous year, but due to recession they were not in the position to pay the money to the company in time. So during the year 2009-10 the Company has stopped the selling and tried to recover the money. Because of these reasons, the sale is very low. Loss of Rs. 1.87 Crores was incurred mainly due to fall in value of dollar vis-a-vis Indian rupee in respect of outstanding export payments which were realised during the year.

6.18 **Pre- and Post-Offer shareholding pattern of the SSGL is as per the following table:**

Sr. No.	Shareholder category	[1]Shareholding & voting rights prior to the acquisition and offer (A)		[1]Shares/voting rights acquired through SPA which triggered off the Regulations (B)		[1]Shares/Voting rights to be acquired in the open offer (assuming full acceptance) (C)		[1]Shareholding/voting rights after the acquisition and Offer i.e. (A+B+C)	
		No.	%	No.	%	No.	%	No.	%
1.	**Promoter Group**								
	a. Sellers	14,70,509	21.17	(14,70,509) [2]	(21.17)	Nil	Nil	Nil	Nil
	b. Promoters other than (a) above	8,97,999	12.93	Nil	Nil	Nil	Nil	Nil	Nil
	Total (a+b)	**23,68,508**	**34.10**	Nil	Nil	**Nil**	**Nil**	**Nil**	**Nil**
2.	**Acquirer**								
	a. Swarnsarita Jewellers Private Limited	4,01,752	5.78	14,70,509	21.17	13,89,080	20.00	32,61,341	46.96
	Total	4,01,752	5.78	14,70,509	21.17	13,89,080	20.00	32,61,341	46.96
3.	Seller other than 1(a)	Nil	Nil	Nil	Nil	Nil	Nil	8,97,999[3]	12.93
4.	Public (other than 1 to 3)	41,75,140	60.12	Nil	Nil	(13,89,080)	(20.00)	**27,86,060**	**40.12**
5.	FIs / MFs / FIIs / Banks	Nil	Nil	Nil	Nil				
	Total	**69,45,400**	**100**	---	---	Nil	Nil	**69,45,400**	**100.00**

Notes:

1 % of Shareholding taken based on Issued Capital of the Company.

2 The data within bracket indicates sale of equity shares.

3 The Promoter mentioned under 1(a) can not participate in the offer, hence the reduction in there shareholding is shown under the public category and also, even if they hold any shares after the offer their holding will be part of Public holding and shown under Public holding.

6.19 The number of Shareholders in STGL in public category including NRI Shareholders is 9999 as on date of Specified date. i.e 16th October 2010

6.20 The Company is not a sick company.

6.21 There is change in shareholding of Promoters group. The details of change in shareholding of Promoters as per reporting u/r. 8(3) filed with the Stock Exchange since 20.02.1997 are as under.

Year ended 31st March	Opening Balance (No. of Shares)	Opening % holding promoter group	Net purchase/(sale)		Mode of Acquisition/sale	Closing holding promoter group (No. of Shares)	Closing % holding promoter group	Increase/decrease in percentage holding (+/-%)	Compliance
			Date	Quantity					
1997	1995500	38.04	Nil	Nil	---	1995500	38.04	---	NA
1998	1995500	38.04	Nil	Nil	---	1995500	38.04	---	NA
1999	1995500	38.04	15.05.1998	26200	Open Market	2021700	38.54	0.05	NA
2000	2021700	38.54	14.06.1999	63000	Open Market	2084700	39.74	1.20	NA
2001	2084700	39.74	20.07.2000	143010	Open Market	2227710	42.47	2.73	NA
2002	2227710	42.47	22.08.2001 20.12.2001	210700 78999	Open Market	2517409	47.99	5.52*	NA
2003	2517409	47.99	22.05.2002 25.09.2002 25.09.2002 03.01.2003 24.01.2003	16500 99395 (2900) 4000 74500	Open Market	2708904	51.64	3.65	Reg 7(1A) not Complied
2004	2708904	51.64	05.12.2003 05.12.2003	82356 (13200)	Open Market	2778060	52.96	1.32	---
2005	2778060	52.96	25.11.2004 25.11.2004	4000 (4200)	Open Market	2777860	52.96	0.00	---
2006	2777860	52.96	Nil	Nil	--	2777860	52.96	Nil	---
2007	2777860	52.96	Nil	Nil	--	2777860	52.96	Nil	---
2008	2777860	52.96	Nil	Nil	--	2777860	40.00**	Nil	---
2009	2777860	40.00	Nil	Nil	--	2777860	40.00	Nil	---
2010	2777860	40.00	Nil	Nil	--	2777860	40.00	Nil	---

Note: On 17th September, 2010, 409352 Equity Shares (5.89%) were sold by promoter of the company through the open market accordingly the promoter holding as on the date of PA i.e on 21st September, 2010 comes to 23,68,508 Equity Shares (34.10%).

* The Promoters have acquired 4.02% during 01/04/2001 to 24/10/2001 and the balance 1.50% have been acquired after 24th October 2001 to 31st March 2002 i.e after SEBI (Substantial Acquisition of Shares and Takeovers) (Third amendment) Regulations, 2001. Hence the Open Offer is not triggered in this case.

** Promoter stake has been decreased from 52.96% to 40.00% due to preferential allotment to non promoters of the company made on 11th June 2007.

6.22 Status of corporate governance compliances by SSGL : -

As per the Annual Report for the Financial year 2009-10, the Target company has complied with the norms of the SEBI Guidelines on Corporate Governance as enumerated in Clause 49 of the Listing agreements with stock exchanges.

The Company has filed the latest Corporate Governance report with the Stock Exchange as on 30th September, 2010. the details are as follows :

Name of the Company: Shyam Star Gems Limited
Quarter ending on : September 30, 2010

Particulars	Clause of Listing Agreement	Compliance Status Yes/No	Remarks
I Board of Directors	49 I	Yes	---
(A) Composition of Board	49(IA)	Yes	---

(B) Non-executive Directors' compensation & disclosures	49 (IB)	Yes	---
(C) Other provisions as to Board and Committees	49 (IC)	Yes	---
D) Code of Conduct	49 (ID)	Yes	---
II. Audit Committee	49 (II)	Yes	---
(A)Qualified & Independent Audit Committee	49 (IIA)	Yes	---
(B)Meeting of Audit Committee		Yes	---
(C)Powers of Audit Committee 49 (IIC)	49 (IIB)	Yes	---
(D)Role of Audit Committee	49 II(D)	Yes	---
(E)Review of Information by Audit Committee	49 (IIE)	Yes	---
III. Subsidiary Companies	49 (III)	N.A.	---
V. Disclosures	49 (IV)	Yes	---
(A)Basis of related party transactions	49 (IV A)	Yes	complied in Annual Report of 2009-2010
(B)Disclosure of Accounting Treatment	49 (IV B)	Yes	complied in Annual Report of 2009-2010
(C) Board Disclosures	49 (IV C)	Yes	complied in Annual Report of 2009-2010
(D)Proceeds from public issues, rights issues, preferential issues etc	49 (IV D)	N.A	---
(E)Remuneration of Directors	49 (IV E)	Yes	complied in Annual Report of 2009-2010
(F)Management	49 (IV F)	Yes	complied in Annual Report of 2009-2010
(G) Shareholders	49 (IV G)	Yes	complied in Annual Report of 2009-2010
V. CEO/CFO Certification	49 (V)	Yes	complied in Annual Report of 2009-2010
VI. Report on Corporate Governance	49 (VI)	Yes	complied in Annual Report of 2009-2010
VII. Compliance	49 (VII)	Yes	complied in Annual Report of 2009-2010

6.23 Mr. Hasmukh Thakkar, is the Compliance Officer of the Company, his address is 15/469, 3rd Floor, Goregaon Navnirmata, S.V. Road, Near Citi Centre, Goregaon (W), Mumbai-400 062 Tel No.: 022-28449514, Mob: 09821154082, Email-id : shyamstargems@yahoo.com.

7 OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1 Justification of Offer Price

7.1.1 The Equity Shares of SSGL are presently listed only on the Bombay Stock Exchange Limited (BSE). Based on the information available (sources: www.bseindia.com), the Shares of the Target Company, within the meaning of Explanation (i) to Regulation 20(5) of SEBI (SAST) Regulations, are frequently traded on the BSE.

7.1.2 The annualised trading

Name of the stock exchange	Total no. of equity shares traded during the 6 calendar months prior to September, 2010	Total no. of equity share listed	Annualised Trading turnover (in terms of % to total listed shares
BSE	1493262	6945400*	43.00**
As per official website of BSE, Mumbai (www.bseindia.com)			

** Total No. of Equity Shares listed as on date of PA i.e.21st Septembert 2010.*

*** % of Annualised Trading Turnover is calculated on the listed equity share capital as on 21st Septembert 2010 i.e. 6945400 Equity Shares.*

7.1.3 The shares are frequently traded as per the data available with BSE within the meaning of Explanation (i) to Regulation 20(5) of the SEBI (SAST) Regulations as mentioned in Para 7.1.2 above.

7.1.4. Following are the average of the weekly high and low of the closing prices and Volume data for 26 Week period ended on 20th September, 2010 i.e. the date preceding the date of P.A. (At BSE) (Source: www.bseindia.com)

No. of Weeks	Week Ending	Closing High	Closing Low	Average	Volume (No of Shares)
1	29-Mar-10	16.75	15.65	16.20	33229
2	5-Apr-10	17.20	15.65	16.43	16269
3	12-Apr-10	17.50	16.75	17.13	24452
4	19-Apr-10	17.25	16.75	17.00	11479
5	26-Apr-10	17.15	16.45	16.80	18018
6	3-May-10	17.00	16.25	16.63	27290
7	10-May-10	16.50	14.60	15.55	28908
8	17-May-10	16.35	15.65	16.00	18700
9	24-May-10	15.80	14.80	15.30	296470
10	31-May-10	15.35	14.60	14.98	14718
11	7-Jun-10	15.20	14.50	14.85	13511
12	14-Jun-10	15.49	14.35	14.92	79154
13	21-Jun-10	16.80	15.35	16.08	91348
14	28-Jun-10	16.50	16.01	16.26	132440
15	5-Jul-10	16.70	15.52	16.11	12411
16	12-Jul-10	16.65	15.70	16.18	77769
17	19-Jul-10	19.35	17.50	18.43	59542
18	26-Jul-10	18.25	17.50	17.88	26005
19	2-Aug-10	17.45	16.50	16.98	76793
20	9-Aug-10	18.85	16.90	17.88	130722
21	16-Aug-10	18.95	17.40	18.18	91383
22	23-Aug-10	17.00	16.35	16.68	66369
23	30-Aug-10	16.85	16.05	16.45	51318
24	6-Sep-10	16.90	16.10	16.50	57386
25	13-Sep-10	17.45	16.90	17.18	34133
26	20-Sep-10	24.30	16.90	20.60	775237
	Total			**433.18**	
	26 Weeks Average			**16.66**	

7.1.5 The daily high, low and average prices and volume data for last 2 weeks on BSE period ended on 20th September, 2010 i.e. the date preceding the date of P.A. (At BSE) (Sources: www. bseindia.com)

Days	Day	Daily High	Daily Low	Average	Volume (No. of Shares)
1	7-Sep-10	18.00	16.40	17.20	14,522
2	8-Sep-10	17.75	16.25	17.00	4,610
3	9-Sep-10	17.85	16.65	17.25	10,624
4	13-Sep-10	17.90	16.65	17.28	4,377

5	14-Sep-10	17.95	16.30	17.13	13,932
6	15-Sep-10	18.00	16.30	17.15	20,032
7	16-Sep-10	17.30	16.40	16.85	4,623
8	17-Sep-10	20.25	16.65	18.45	5,04,983
9	20-Sep-10	24.30	20.25	22.28	2,31,667
	Total			160.58	
2 Weeks Average				**17.84**	

7.1.6 The Offer Price of Rs. 18/- is justified in terms of Regulation 20(4) of the SEBI (SAST) Regulations and the same has been determined after considering the following facts:

(a) the annualised trading turnover of the Target Company is more than 5% (by number of equity shares) of the total number of listed equity shares (*Source*: www.bseindia.com). Accordingly, the equity shares of the Target Company are deemed to be frequently traded on the BSE within the meaning of Explanation (i) to Regulation 20(5) of SEBI (SAST) Regulations.

(b) In accordance with Regulation 20 (4) of the SEBI (SAST) Regulations, 1997, the offer Price of Rs. 18/- (Rupees Eighteen Only) per fully paid up equity share is justified in view of the following parameters:

a.	Negotiated price under the Agreement.	Rs.14.00 per Equity Share
b.	Highest price paid by the Acquirer for acquisitions, if any, including by way of allotment in a public or rights or preferential issue, during the 26 weeks period prior to the date of the PA.	Rs. 16.90 per Equity Share
c.	The average of the weekly high and low of the closing prices of the equity Shares of SSGL as per Regulation 20(4) (c) during 26 weeks period prior to the Public announcement. (On BSE where the shares are most frequently traded)	16.66
d.	The average of the daily high and Low of the prices of the equity shares of SSGL as per Regulation 20(4) (c) during the Two weeks prior to the Public Announcement (On BSE)	17.84

In view of the parameters considered and presented in table above, in the opinion of the Acquirer and Manager to the Offer, the Offer Price of Rs. 18.00 (Rupee Eighteen Only) per share being the highest of the prices mentioned above is justified in terms of Regulation 20(4) & 20(11) of the Regulations.

7.1.7 If the Acquirer acquire Shares of the Target Company after the date of this Public Announcement and upto 7 working days prior to the closure of the Offer at a price higher than the Offer Price, then the highest price paid for such acquisition shall be payable for all the valid acceptances received under the Offer.

7.1.8 There is no non-compete fees payable under the Agreement.

7.1.9 The Acquirer shall not acquire any shares in SSGL during the Offer Period except in compliance with the Regulations and the details of such acqusitions shall be disclosed to the Stock Exchange and to the Manager within 24 hours thereof in terms of Regulation 22(17) of the Regulations.

7.2 Financial Arrangements

7.2.1 Assuming full acceptance, the total requirement of funds for the Offer would be Rs. 2,50,03,440/- (Rupees Two Crores Fifty Lacs Three Thousand Four Hundred and Forty only). In compliance of Regulation 28 of SEBI (SAST) Regulations, the Acquirer has opened an Escrow Account bearing no. 00600350088249 with the Escrow Agent, i.e. HDFC Bank Limited having office at 2nd floor, Maneckji Wadia Building, Nanik Motwani Marg, Fort, Mumbai-400001 and have deposited Rs. 65,00,000/- (Rupees Sixty Five Lacs only), being more than 25% of the amount required for the offer.

7.2.2 The Acquirer has adequate resources to meet the financial requirements of the Open Offer. The Acquirer has made firm arrangement for the resources required to complete the Open Offer in accordance with the SEBI (SAST) Regulations, 1997. No borrowing from any Bank/ Financial Institution is being specifically made for this purpose.

7.2.3 The Acquirer has duly empowered M/s Comfort Securities Private Limited, Manager to the Offer, to realise the value of the escrow account in terms of the SEBI (SAST) Regulations, 1997.

7.2.4 The Manager to the Offer, M/s Comfort Securities Private Limited, hereby confirms that firm arrangements for funds and money for payment through verifiable means are in place to fulfil the Offer obligation under the SEBI (SAST) Regulations.

7.2.5 The Acquirer has adequate resources to meet the financial requirements of the Open Offer. No funds are being borrowed from any bank or financial institution for the purpose of this Open Offer by the Acquirer. As per certificate dated September 20, 2010 from M/s. Suresh Anchaliya & Co. (Firm Regn No: 112492W Partner: Mr. Suresh Anchaliya, Membership No. 44960), Chartered Accountants, 1608-C, Panchratna, Opera House, Mumbai-400 004, Tel: 022-23666547/23666546, Fax : 022-23666546 Email Id : ca.anchaliya@gmail.com and anchaliyaca@gmail.com, the Net Worth of SJPL as on 31st March, 2010 is Rs. 6,84,12,397/- (Rupees Six Crore Eighty Four Lacs Twelve Thousand Three Hundred Ninety Seven only).

The composition of Net Worth as on 31st March, 2010 is as follows:

Paid Up Equity Capital	:	Rs. 11,879,000.00
Add: Reserves & Surplus	:	Rs. 56,548,156.00
Less: Accumulated Losses	:	Rs. 0.00
Less: Miscellaneous Exp not w/off	:	Rs. 14,759.00
Net Worth	:	**Rs. 68,412,397.00**

8 TERMS AND CONDITIONS OF THE OFFER

8.1 Persons eligible to participate in the Offer

8.1.1 Registered Shareholders of SSGL and unregistered Shareholders of who own the Equity Shares of SSGL any time prior to the date of Closure of the Offer, other than the parties to the SPA, i.e. the Acquirer and Sellers and Mrs. Shantaben Dungarshi Patel, Mr. Dungarshibhai Narshibhai Patel and M/s. Dungarshibhai Narshibhai Patel (HUF).

8.1.2 None of the existing shares of SSGL are under any lock-in requirements as per SEBI guidelines.

8.2 Statutory Approvals

8.2.1 NRI/OCB Shareholders who wish to tender their Shares in the Offer will be required to submit all the pervious RBI approvals (Specific and general) that they would have obtained for acquiring the Shares of Target Company. In case the previous RBI approvals are not being submitted, the Acquirer reserves the right to reject the Shares tendered in the Offer.

8.2.2 No approval from any bank or financial institutions is required for the purpose of this Offer, to the best of the knowledge of the Acquirer.

8.2.3 As on the date of Public Announcement, to the best knowledge of the Acquirer, no other statutory approvals are required to be obtained for the purpose of this Offer.

8.2.4 The Open Offer would be subject to all other statutory approvals that may become applicable at a later date before the completion of the Open Offer.

8.2.5 In case of delay in receipt of any statutory approval, Regulation 22(12) of SEBI (SAST) Regulations, will be adhered to, i.e. SEBI have power to grant extension of time to Acquirer for payment of consideration to Shareholders subject to Acquirer agreeing to pay interest for delayed period as directed by SEBI. Further in case the delay occurs on account of wilful default by the Acquirer in obtaining the approvals, Regulation 22 (13) of SEBI (SAST) Regulations, will also become applicable.

8.2.6 The Acquirer shall complete all procedures relating to the Offer within a period of 15 days from the date of closing of the Offer.

8.3 Others

8.3.1 The Acquirer has appointed Sharex Dynamic (India) Private Limited as the Registrar to the Offer.

8.3.2 All eligible Equity Shareholders of fully paid Equity Shares of SSGL, registered or unregistered who wish to avail and accept the Offer will be required to communicate their acceptance along with all relevant documents in the form and manner specified in the LOO/FOA at below mentioned collection centre on or before closure of the Offer i.e. Saturday, January 29, 2011. The documents shall be tendered at below mentioned collection centre on all working days i.e. from Monday to Friday between 10.30 a.m. to 1.00 p.m and 2.00 p.m to 5.00 p.m. and on Saturday from 10.30 a.m. to 1.30 p.m. The centre will be closed on Sundays and Public holidays.

Address of Collection Center	Name of the Contact Person, Tel. No., Fax No. and Email	Mode of Delivery
SHAREX DYNAMIC (INDIA)PRIVATE LIMITED Unit No. 1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai- 400 072	Mr. B.S. Baliga Email: sharexindia@vsnl.com Tel. No. 91 22 – 28515606/5644 Fax no.: 91 22 – 28512885 Website : www.sharexindia.com	Hand Delivery / Registered Post

Shareholders are advised to ensure that the Form of Acceptance cum Acknowledgement and other documents are complete in all respects; otherwise the same are liable to be rejected. In the case of demat shares, the shareholders are advised to ensure that their shares are credited in favour of the Special Depository Account before the closure of the Offer. The Form of Acceptance cum Acknowledgement of such demat shares, not credited in favour of the special depository account before the closure of the Offer, will be rejected.

8.3.3 Shareholders should send all the relevant documents mentioned herein.

Documents to be delivered

i. For Equity shares held in physical form:

Registered Shareholders should enclose:

- ❖ Form of Acceptance cum Acknowledgement duly completed and signed in accordance with the instructions contained therein, by all shareholders whose names appear on the share certificates.
- ❖ Original Share Certificate(s).
- ❖ Valid Share Transfer form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with SSGL and duly witnessed at the appropriate place. A blank Share Transfer form is enclosed along with this LOO.
- ❖ Self attested copy of the PAN card.

Unregistered owners should enclose:

- ❖ Form of Acceptance cum Acknowledgement duly completed and signed in accordance with the instructions contained therein.
- ❖ Original Share Certificate(s).
- ❖ Original Broker Contract Note.
- ❖ Valid Share Transfer form(s) as received from the market.
- ❖ Self attested copy of the PAN card of all the proposed transferees.

The details of buyer should be left blank failing which the same will be invalid under the Offer. The details of buyer will be filled upon verification of the Form of Acceptance and the same being found valid. All other requirements for valid transfer will be preconditions for valid acceptance.

ii. For Equity shares held in demat form:

Beneficial owners should enclose:

- Form of Acceptance cum Acknowledgement duly completed and signed in accordance with the instructions contained therein, as per the records of the Depository Participant (DP).
- Photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP.
- For each Delivery Instruction, the beneficial owner should submit separate Form of Acceptance.
- The Beneficial Owners who hold shares in demat form are required to execute a trade by tendering the Delivery Instruction for debiting their Beneficiary Account with the concerned DP and crediting the Special Depository Account. The credit in the Special Depository Account should be received on or before 1.30 pm as on the date of closure of the Offer, i.e., 29th January, 2011.
- The Delivery Instructions to be given to the DP should be in "Off-Market" mode only. A special depository account has been opened, details thereof are as under:

Account Name	**"SSGL-Open Offer"**
Depository	Central Depository Services India Limited (CDSL),
DP Name	Arcadia Share & Stock Brokers Private Limited
DP ID Number	12034400
Client ID Number	1203440000716434
Mode	Off Market

Shareholders having their beneficiary account with National Securities Depository Limited (NSDL), have to use inter-depository delivery instruction slip for the purpose of crediting their Equity Shares in favour of the above mentioned Special Depository Account with CDSL. In case of non-receipt of the aforesaid documents, but receipt of the shares in the Special Depository Escrow Account, the Acquirer may deem the Offer to have been accepted by the shareholder.

Applicants may send their documents only by Registered Post, at their own risk, if not hand delivered at the designated collection centre, to the Registrar at the addresses as mentioned here-in-above during business hours indicated above other than on holidays. Please note that the Share Certificates/Delivery Instruction Slip and other documents in relation to the acceptance of the Offer should not be sent to the Acquirer or the Target Company. Such documents should not be sent to the Manager to the Offer.

8.3.4 In case of non-receipt of the Letter of Offer, Shareholders may obtain a copy of the same by writing to the Registrar to the Offer at either of the collection centres mentioned at 8.3.2 marking the envelope "SSGL-Open Offer". Alternatively, eligible Shareholders may send their acceptance to the Registrar to the Offer, on a plain paper stating their name, address, folio nos., distinctive nos. no. of Shares held, No. of Shares tendered, along with documents as mentioned at para 8.3.3 so as to reach the Registrar to the Offer on or before 1.30 p.m on the Closure of the Offer i.e. Saturday 29th January 2011 or in case of beneficial owners they may send their application in writing to the Registrar to the Offer, on a plain paper stating acceptance of the Offer with Name; Address; Number of Shares held; Number of shares offered; DP name; DP ID; Beneficiary Account Number and a photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP, in favour of the Special Depository Account, or the eligible persons can write to the Manager to the Offer requesting for the LOO and Form of Acceptance cum Acknowledgement and fill up the same in accordance with the instructions given therein, so as to reach the Registrar to the Offer, on or before the close of the Offer, i.e., not later than 29th January 2011**.** Unregistered owners should not sign the transfer deed and the transfer deed should be valid for transfer. Alternatively, the LoO and Form of Acceptance cum Acknowledgement will be available on SEBI's website (www.sebi.gov.in), from the date of Opening of the Offer. The eligible persons can download the Form of Acceptance cum Acknowledgement from the SEBI's website and apply using the same.

8.3.5 If the aggregate of the valid responses to the Offer exceeds 13,89,080 fully paid up Equity Shares, then the Acquirer shall accept the valid applications received on a proportionate basis in accordance with Regulation 21(6) of the Regulations in such a way that acquisition from a shareholder shall not be less than the market lot or the entire holding, if it is less than the market lot. The marketable lot of SSGL is 1 **(One) Equity Shares**.

8.3.6 Shareholders who have sent their shares for dematerialization need to ensure that the process of getting shares dematerialized is completed well in time so that the credit in the Special Depository Account is received on or before the date of Closure of the Offer, i.e., no later than 29th January, 2011 else the application would be rejected.

8.4 Non Resident Shareholders

8.4.1 Non-Resident Shareholders may tender their Shares in accordance with the Procedure mentioned at 8.3 (as applicable) above. In case the RBI approvals are not submitted, the Acquirer reserves the right to reject such equity shares.

8.4.2 While tendering the shares under the Offer, NRIs / OCBs / foreign shareholders will be required to submit the previous RBI Approvals (specific or general) that they would have been required to submit to acquire the shares of the Target Company. In case the previous RBI approvals are not submitted, Acquirer reserves the right to reject such shares tendered.

8.4.3 While tendering shares under the Offer, NRIs / OCBs / foreign shareholders will be required to submit a Tax Clearance Certificate from the Income Tax authorities, indicating the amount of tax to be deducted by Acquirer under the Income Tax Act, 1961 (the "Income Tax Act"), before remitting the consideration. In case the aforesaid Tax Clearance certificate is not submitted, Acquirer will arrange to deduct tax at the rate as may be applicable to the category of the shareholder under the Income Tax Act, on the entire consideration amount payable to such shareholder.

8.4.4 The above documents should not be sent to the Acquirer or to SSGL or to the Manager to the Offer. The same should be sent to the Registrar to the Offer only at the collection centres given above in 8.3.2.

8.5 The consideration received by the shareholders for Equity Shares accepted in the Offer will be subject to the capital gains tax / deduction of tax at source applicable as per the Income Tax Act, 1961. Further, the securities transaction tax will not be applicable on Equity Shares accepted in this Offer.

8.6 In case of delay in receipt of any statutory approval(s), SEBI has the power to grant an extension of time to Acquirer for payment of consideration to shareholders of SSGL, subject to Acquirer agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations. Further, if the delay occurs on account of the willful default or neglect or inaction or non-action by the Acquirer in obtaining the requisite approval(s), the amount held in the Escrow Account shall be subject to forfeiture and be dealt with in the manner provided in Regulation 28(12) of the SEBI (SAST) Regulations.

8.7 Payment of consideration for the applications accepted in the Offer shall be made within 15 days from the date of the closure of the offer. Credit for the consideration will be given to the shareholders whose Equity Shares have been accepted in the Open Offer by ECS, or crossed account payee cheques/pay orders/demand drafts, RTGS and NEFT.

8.8 Unaccepted share certificates, transfer deeds and other documents, if any, will be returned by registered post at the shareholders' sole risk to the sole/ first shareholder. Unaccepted shares held in dematerialised form will be credited back to the beneficial owners' DP account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance. It will be the responsibility of the shareholders to ensure that the unaccepted shares are accepted by their respective depository participants when transferred by the Registrar to the Offer.

8.9 The Registrar to the Offer will hold in trust the shares/share certificates, shares lying in the credit of the Special Depository Account, Form of Acceptance cum Acknowledgment, if any, and the transfer form(s) on behalf of the shareholders of the Target Company who have accepted the Offer, till the cheques/drafts for the consideration and/ or the unaccepted shares/ share certificates are despatched/ returned.

8.10 Dispatches involving payment of a value in excess of Rs. 1,500/- will be made by registered post/speed post at the shareholder's sole risk. In the case shareholders residing in any of the centers specified by the SEBI and have opted an option to get payment consideration through electronic transfer of funds by using ECS (Electronic Clearing Service), Direct Credit, RTGS (Real Time Gross Settlement) or NEFT (National Electronic Funds Transfer), as is for the time being permitted by the Reserve Bank of India should provide all the necessary Bank details including MICR code or RTGS code or IFSC code in Form of Acceptance-cum-Acknowledgement and the payment intimation will be sent to the sole / first named shareholder of SSGL whose equity shares are accepted by the Acquirer at his address registered with SSGL. Rejected documents will be sent by registered post/speed post. All other despatches will be made by ordinary post at the shareholder's sole risk. All cheques / demand drafts will be crossed Account Payee and will be drawn in the name of the first holder, in case of joint holder(s). In case of unregistered owners of shares, payment will be made in the name of the person stated in the contract note. It will be desirable if the shareholders provide bank account details in the Form of Acceptance-cum-Acknowledgement for incorporation in the cheque / demand draft.

8.11 Procedure for Withdrawal of Application

a. In accordance with Regulation 22(5A) of the SEBI (SAST) Regulations, shareholders shall have the option to withdraw acceptances tendered up to three working days prior to the Date of Closure of Offer.

b. Shareholders who wish to withdraw their shares from the Offer will be required to send the FOW duly completed & signed along with the requisite documents.

c. In case of non receipt of FOW, the withdrawal can be exercised by making an application on plain paper along with following details.

- In case of physical shares: by stating Name, Address, Distinctive numbers, Folio number, Number of Equity Shares tendered and to be withdrawn.

- In case of dematerialized Equity Shares: by stating Name, Address, Number of shares tendered and to be withdrawn, DP Name, DP ID, Beneficiary account number, Counterfoil/ Photocopy of the delivery instruction in "Off Market" mode duly acknowledged by the DP in favour of the special depository account.

- In either case: a copy of the acknowledgment received from the Manager to the Offer upon tendering of the Equity Shares, so as to reach the Registrar to the Offer either by hand delivery or by registered post or Courier on or before 24th January, 2011.

8.12 General

a. The Form of Acceptance and instructions contained therein are integral part of this LOO.

b. Neither the Acquirer nor the Manager nor the Registrar nor the Target Company will be responsible for any loss in transit or delay in receipt of the completed Form of SSGL.

c. The Offer Price is denominated and payable in Indian Rupees only.

d. All the communication in connection with the Form of Acceptance should be addressed to the Registrar to the Offer as mentioned above, with full name of the sole/first applicant, folio number, number of equity shares tendered, date of lodgement of the Form of Acceptance and other relevant particulars.

e. If there is any upward revision in the Offer Price (Regulation 26) by the Acquirer till the last day of revision, viz., at any time upto seven working days prior to the date of closure of the Open Offer, the same would be informed by way of Public Announcement in the same newspapers where original Public Announcement had appeared. Such revised Offer would be payable for all the shares tendered anytime during the Offer.

f. "If there is competitive bid:

- The Public Offers under all the subsisting bids shall close on the same date.
- As the Offer Price cannot be revised during 7 working days prior to the closing date of the Offers/bids, it would, therefore, be in the interest of shareholders to wait till the commencement of that period to know the final Offer Price of each bid and tender their acceptance accordingly".

9 DOCUMENTS FOR INSPECTION

The following documents are regarded as material documents and are available for inspection at the office of the Manager to the Offer at Comfort Securities Private Limited A-301, Hetal Arch, Opp Natraj Market, S. V. Road, Malad (West), Mumbai – 400 064 from 10.30 a.m. to 1.00 p.m. on any working day, except Saturdays, Sundays and Holidays until the closure of the Offer.

9.1 Memorandum of Association and Articles of Association of Shyam Star Gems Limited.

9.2 Memorandum of Association and Articles of Association of Swarnsarita Jewellers Private Limited.

9.3 Copy of Board Resolution of M/s. Swarnsarita Jewellers Private Limited authorising Mr. Mahendra M. Chordia, Director or Mr. Sunil G. Jain, Director of the company to sign the documents on behalf of the company.

9.4 Memorandum of Understanding between Lead managers i.e. Comfort Securities Private Limited. & Acquirer.

9.5 Undertaking from the Acquirer, stating full responsibility for all information contained in the P.A., Corrigendum to the PA and the Letter of Offer.

9.6 Annual Reports of SSGL for years ended on March 31, 2008, 2009 and 2010

9.7 Annual Reports of SJPL for year ended on March 31, 2008, 2009 and 2010

9.8 M/s. Suresh Anchaliya & Co., Chartered Accountants., certifying the Net worth of Swarnsarita Jewellers Private Limited as on 31/03/2010.

9.9 Certificate from Statutory Auditors for financial data audited and Unaudited for the purpose of Open Offer of SSGL, the Target Company.

9.10 Certificate from Statutory Auditors for financial data audited and Unaudited for the purpose of Open Offer of SJPL, the Acquirer Company.

9.11 Certificate from HDFC Bank having office at 2nd floor, Maneckji Wadia Building, Nanik Motwani Marg, Fort, Mumbai- 400001 confirming the amount kept in Escrow Account opened as per SEBI (SAST) Regulation.

9.12 Copy of agreement with the Depository Participant Sharex Dynamic (India) Private Limited for opening of special depository account for the purpose of offer with the Registrar to Issue.

9.13 A copy of the Share Purchase Agreement between the Acquirer and the Seller dated 17th September, 2010 for acquisition of up to 14,70,509 Equity Shares, which triggered the Open Offer.

9.14 Published copy of the PA and Corrigendum to the PA which appeared in the newspapers on Tuesday, 21st September, 2010 and Monday, 3rd January 2011 for acquisition of 13,89,080 Equity Shares which triggered the Open Offer.

9.15 Undertaking from the Acquirer that if they acquire any shares of the target company after the date of the Public Announcement till the closure of the Offer, they shall inform Stock Exchange and the Manager within 24 hours.

9.16 Undertaking from the Acquirer for unconditional payment of the consideration within 15 days of the closure to all Shareholders of the Target Company whose applications are accepted in the Open Offer.

9.17 Undertaking from the Acquirer with regard to merger/de-merger, spin-off during the past three years.

9.18 Undertaking from the Acquirer with regard to Directors Responsibility under Regulation 21(2) of SEBI (SAST) Regulations.

9.19 Observation letter no. CFD/DCR/TO/DA/31160/10 dated December 27, 2010 on the draft Letter of Offer filed with the Securities and Exchange Board of India.

9.20 Copy of ad interim ex-parte order of SEBI dated 5th February 2010 and confirmation of ex-parte order dated 24th December 2010 regarding the pending investigation by SEBI against Shyam Star Gems Ltd and Mr. Savjibhai D Patel (Seller/Promoter), Mrs. Usha S Patel (Seller/Promoter) in the matter of S J Corporation.

10. DECLARATION BY THE ACQUIRER

10.1 The Acquirer and its Directors accept full responsibility for the information contained in this Letter of Offer and also accept responsibility for the obligations of the Acquirer laid down in the SEBI (SAST) Regulations. All the information contained in this document is as on date of the Public Announcement and Corrigendum to the Public Announcement, unless stated otherwise.

10.2 The Acquirer and its Directors made all reasonable inquiries, accept responsibility for, and confirm that this Letter of Offer contains all information with regard to the Offer, which is material in the context of the issue, that the information contained in this Letter of Offer is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

10.3 The Acquirer and its Directors declare and confirm that all the relevant provisions of Companies Act, 1956 and all the provisions of SEBI (SAST) Regulations, 1997 have been complied with and no statements in the Offer document is contrary to the provisions of Companies Act, 1956 and SEBI (SAST) Regulations, 1997.

For and on behalf of Board of Directors of
Swarnsarita Jewellers Private Limited

Place: Mumbai
Date: 03.1.2011

Mahendra M. Chordia
Director

ENCLOSURES :

1. Form of Acceptance cum Acknowledgement
2. Form of Withdrawal cum Acknowledgement
3. Blank Share Transfer Deed(s) in the case of shares held in physical mode.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(Please send this Form with enclosures to **Sharex Dynamic (India) Private Limited**, Registrar to the Offer at their address given overleaf)

FORM OF ACCEPTANCE – CUM – ACKNOWLEDGEMENT

(All terms and expressions used herein shall have the same meaning as described thereto in the Letter of Offer)

OFFER OPENS ON	**Monday, 10th January, 2011**
OFFER CLOSES ON	**Saturday, 29th January, 2011**

FOR OFFICE USE ONLY	
Acceptance Number:	
Number of Equity Shares offered:	
Number of Equity Shares accepted:	
Purchase Consideration (Rs.):	
Cheque/ Demand Draft/Pay Order No/ECS:	

PLEASE READ THE INSTRUCTIONS OVERLEAF BEFORE FILLING-IN THIS FORM OF ACCEPTANCE

From: -

Name:

Address:

Status: Resident/Non Resident

Folio No.:	Sr. No:	No of Shares Held:
Tel. No:	Fax No:	E-Mail:

To,

M/s. Swarnsarita Jewellers Private Limited
C/o. Sharex Dynamic (India) Private Limited
Unit No. 1, Luthra Industrial Premises, Safed Pool
Andheri Kurla Road, Andheri (E), Mumbai-400 072

Dear Sir,

Sub.: Cash Offer for purchase of 13,89,080 (Thirteen Lacs Eighty Nine Thousand and Eighty Only) including the Shares on which the call money is pending on the Equity Shares of Shyam Star Gems Limited (SSGL) at a price of Rs. 18.00 (Rupees Eighteen Only) per Share under SEBI (SAST) Regulations.

I/We refer to the Letter of Offer dated 03.01.2011 for acquiring the Equity Shares held by me/us in SSGL.

I/We, the undersigned, have read the Letter of Offer, Public Announcement and Corrigendum to the Public Announcement and understood their contents including the terms and conditions and procedure as mentioned therein.

FOR SHARES HELD IN PHYSICAL FORM

I/We, hold the following shares in physical form and accept the Offer and enclose the original Share certificate (s) and duly signed share transfer deed (s) in respect of my/our Shares as detailed below:

Sr. No.	Certificate No.	Distinctive No(s)		No. of Equity Shares fully paid-up	No. of Equity Shares partly paid-up
		From	To		
Total Number of Equity Shares					

(Please attach authenticated additional sheets, if required)

I/We confirm that the equity shares of SSGL which are being tendered herewith by me/us under this Offer, are free from liens, charges and encumbrances of any kind whatsoever.

I/We note and understand that the original share certificate(s) and the valid share transfer deed(s) will be held in trust for me/us by the Registrar to the Offer until the time the Acquirer makes payment of the purchase consideration as mentioned in the Letter of Offer.

I/We also note and understand that the Acquirer will pay the consideration only after verification of the documents and signatures.

Tear along this line

ACKNOWLEDGEMENT SLIP

Received from Mr./Ms. ______________________________

residing at ______________________________

______________________________ Acceptance cum Acknowledgement for ______________shares along with:

☐ Copy of depository instruction slip from DP ID ____________ Client ID ____________ Share Certificate(s) under folio number(s) ____________ for accepting the Offer made by the Acquirer.

Stamp of Collection Centre		Signature of Official		Date of Receipt	

SHARES HELD IN DEMATERIALIZED FORM

I/We hold the following shares in Demat Form and accept the Offer and enclose a photocopy of the Depository Delivery Instruction(s) in ***"Off-market"*** mode duly acknowledged by my/our Depository Participant ("DP") in respect of my/our equity shares as detailed below:

DP NAME	DP I.D.	CLIENT ID.	NAME OF THE BENEFICIARY	NO OF SHARES OFFERED

I/We have done an off market transaction for crediting the equity Shares to the special depository account in CDSL styled **"SSGL- Open Offer"** ("Depository Escrow Account") details are as under:

Depository	Central Depository Services (India) Limited
DP Name	Arcadia Share & Stock Brokers Private Limited
DP Number	12034400
Client ID Number	1203440000716434

Shareholders having their beneficiary account in National Securities Depository Limited ("NSDL") have to use **inter-depository** delivery instruction slip for the purpose of crediting their equity shares in favour of the special depository account with Central Depository Services (India) Limited (CDSL).

I / We confirm that the equity shares of SSGL which is being tendered herewith by me / us under the Offer are free from liens, charges and encumbrances of any kind whatsoever.

I / We authorize the Acquirer to accept the equity shares so offered or such lesser number of equity shares that the Acquirer may decide to accept in consultation with the Manager to the Offer and in terms of the said Letter of Offer and I / we further authorise the Acquirer to apply and obtain on our behalf split of share certificate(s) as may be deemed necessary by them for the said purpose. I further authorize the Acquirer to return to me / us, equity share certificate(s) in respect of which the Offer is not found / not accepted, specifying the reason thereof.

My / Our execution of this Form of Acceptance shall constitute my / our warranty that the equity shares comprised in this application are owned by me / us and are transferred by me / us free from all liens, charges, claims of third parties and encumbrances. If any claim is made by any third party in respect of the said equity shares, I / we will hold the Acquirer, harmless and indemnified against any loss they or either of them may suffer in the event of the Acquirer acquiring these equity shares. I / We agree that the Acquirer may pay the Offer Price only after due verification of the document(s) and signature(s) and on obtaining the necessary approvals as mentioned in the said Letter of Offer.

I / We also note and understand that the shares/ Original Share Certificate(s) and Transfer Deed(s) will be held by the Registrar to the Offer in trust for me / us till the date the Acquirer makes payment of consideration or the date by which Shares/ Original Share Certificate(s), Transfer Deed(s) and other documents are dispatched to the shareholders, as the case may be.

I/We note and understand that the Shares would lie in the Special Depository Account until the time the Acquirer make payment of purchase consideration as mentioned in the Letter of Offer.

I/We undertake to execute such further document(s) and give such further assurance(s) as may be required or expedient to give effect to my / our agreeing to sell the said equity shares.

I / We irrevocably authorise the Acquirer to send by Registered Post at my / our risk, the Cheque(s) / Demand Draft(s) / Pay Order(s) in settlement of consideration payable and excess share certificate(s), if any, to the Sole / First holder at the address given hereunder and if full address is not given below the same will be forwarded at the address registered with SSGL/D P:

Name and complete address of the Sole/ First holder (in case of member(s), address as registered with SSGL:

Name : ______________________________ **Address :** ______________________________

____

Place:______________ **Date:**______________ **Tel. No(s). :** ______________ **Fax No.:** ______________

So as to avoid fraudulent encashment in transit, the shareholder(s) are requested to kindly provide the following bank details of the first/sole shareholder and the consideration will be payable by way of ECS Mode/ cheque or demand draft will be drawn accordingly. In case of shareholders holding Shares in electronic mode, bank particulars noted with the Depository Participant (DP) and forming part of the beneficial download will be incorporated in the cheque/ demand draft. In case of any change in bank particulars recorded with the DP, new bank particulars duly attested by the DP should be furnished. In order to receive payment consideration through ECS mode, the shareholders are requested to compulsorily provide their following bank details:-

Bank Account No.: ______________________ Type of Account:______________ (Savings / Current / Other (please specify))

Name of the Bank: ______________________________ Name of the Branch and Address: ______________

____

MICR Code of Bank: ______________________ IFSC Code of Bank: ______________________________

The Permanent Account No. (PAN / GIR No.) allotted under the Income Tax Act, 1961 is as under:

PAN / GIR No.	1st Shareholder	2nd Shareholder	3rd Shareholder

– Tear along this line –

For Future Correspondence, if any, should be addressed to Registrar to the Offer at the following address

M/s. Swarnsarita Jewellers Private Limited
C/o. Sharex Dynamic (India) Private Limited
Unit No. 1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (E), Mumbai-400072
Telephone No: 022-28515606/5644; Fax No: 022-28512885
Contact person: Mr. B.S. Baliga
Email: sharexindia@vsnl.com; Website: www.sharexindia.com

Enclosure (Please tick)

- Power of Attorney, if any person apart from the shareholder, has signed the acceptance from or transfer deed(s)
- Duly attested Death certificate/succession certificate (in case of single shareholders) in case the original shareholders in expired
- RBI approval (for NRI/OCB/Foreign shareholders)
- Corporate Authorisation in case of companies along with Board resolutions and specimen signature of authorized signatory
- No objection certificate & Tax clearance certificate under Income Tax Act, 1961 (for NRI/OCB/Foreign shareholders)
- Other (please specify)

Yours faithfully,
Signed and Delivered:

PARTICULARS	FULL NAME (S) OF THE HOLDERS	SIGNATURE (S)
First/Sole Shareholder		
Joint Holder 1		
Joint Holder 2		

Place : ________________________

Date : ________________________

Note: In case of joint holdings, all the holders must sign. In case of body corporate, stamp of the company should be affixed and necessary Board Resolution should be attached.

INSTRUCTIONS

1. Please read the enclosed Letter of Offer carefully before filling-up this Form of Acceptance.
2. The Form of Acceptance should be filled-up in English only.
3. Signature(s) other than in English, Hindi, Marathi, and thumb impressions must be attested by a Notary Public under his Official Seal.
4. For Fully paid up shares the Offer Price is Rs. 18/- and for the shares on which the call money is pending is Rs. 13/- and the balance Rs. 5/- to the Target Company to make them fully paid up.

Mode of tendering the Equity Shares Pursuant to the Offer:

I. The acceptance of the Offer made by the Acquirer is entirely at the discretion of the equity shareholder of SSGL.

II. Shareholders of SSGL to whom this Offer is being made, are free to offer his / her / their shareholding in SSGL for sale to the Acquirer, in whole or part, while tendering his / her / their equity shares in the Offer.

Business Hours : Monday to Friday: 1030 hours to 1700 hours

Saturday : 1030 to 1330 hours

Holidays : Sundays, Public Holidays and Bank Holidays

INSTRUCTIONS

1. In the case of demat shares, the shareholders are advised to ensure that their shares are credited in favour of the special depository account, on or before 1.30 p.m. as on date of closure of the Offer (i.e. 29th January, 2011). The Form of Acceptance cum Acknowledgement of such demat shares not credited in favour of the special depository account, before the closure of the Offer will be rejected.
2. Shareholders should enclose the following:-.

   i. For Equity shares held in demat form: -

   - Form of Acceptance cum Acknowledgement duly completed and signed in accordance with the instructions contained therein, as per the records of the Depository Participant (DP).
   - Photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP.
   - For each Delivery Instruction, the beneficial owner should submit separate Form of Acceptance.
   - The Beneficial Owners who hold shares in demat form are required to execute a trade by tendering the Delivery Instruction for debiting their Beneficiary Account with the concerned DP and crediting the Special Depository Account. The credit in the Special Depository Account should be received on or before the date of closure of the Offer, i.e. 29th January, 2011.
   - The Delivery Instructions to be given to the DP should be in ***"Off-Market"*** mode only.

   ii. For Equity shares held in physical form: -

   Registered Shareholders should enclose:

   - Form of Acceptance cum Acknowledgement duly completed and signed in accordance with the instructions contained therein, by all shareholders whose names appear on the share certificates.
   - Original Share Certificate(s).
   - Valid Share Transfer form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with SSGL and duly witnessed at the appropriate place. A blank Share Transfer form is enclosed along with this LoO.
   - Self attested copy of the PAN card.

   Unregistered owners should enclose:

   - Form of Acceptance cum Acknowledgement duly completed and signed in accordance with the instructions contained therein.
   - Original Share Certificate(s).
   - Original Broker Contract Note.
   - Valid Share Transfer form(s) as received from the market.
   - Self attested copy of the PAN card of all the proposed transferees.
3. The share certificate(s), share transfer form(s) and the Form of Acceptance should be sent only to the Registrar to the Offer and not to the Manager to the Offer or the Acquirer or SSGL.
4. Shareholders having their beneficiary account in NSDL have to use "INTER DEPOSITORY DELIVERY INSTRUCTION SLIP" for the purpose of crediting their shares in the favour of the special depository account with CDSL.
5. Non resident shareholders/FII/OCB should enclose a copy of the permission received from RBI for the equity shares held by them in SSGL. If, the shares are held under General Permission of RBI, the non resident shareholder should state that the shares are held under General Permission and whether on repatriable basis or non repatriable basis.
6. Non resident shareholders/FII should enclose No Objection certificate/ Tax Clearance certificate from the Income Tax Authorities under Income-Tax Act, 1961, indicating the tax to be deducted by the Acquirer before remittance of consideration otherwise tax will be deducted at marginal rate as may be applicable to the category of the shareholder on the consideration payable by the Acquirer.
7. Shareholders who wish to accept the Offer and tender their Equity Shares pursuant to this Offer will be required to communicate their acceptance along with all relevant documents in the form and manner specified in the LoO to the Registrar to the Offer on or before closure of the Offer i.e. Saturday, 29th January, 2011**,** The documents shall be tendered at the above below centre between **10.30 am to 1.00 pm and 2.00 pm to 5.00 pm from Monday to Friday and between 10.30 am to 1.30 pm on Saturday.** The centre will be closed on Sundays and Public holidays.
8. Applicants may send their documents only by Registered Post/Courier, at their own risk, if not hand delivered at the designated collection centre, to the Registrar during business hours indicated above other than Sunday and public holidays.

THE SHAREHOLDERS ARE REQUESTED TO NOTE THAT THE FORM OF ACCEPTANCE/SHARES ARE RECEIVED BY THE REGISTRAR TO OFFER AFTER THE CLOSURE OF THE OFFER I.E 5.00 P.M ON SATURDAY, 29th JANUARY, 2011 SHALL NOT BE ACCEPTED UNDER ANY CIRCUMSTANCES AND HENCE LIABLE TO BE REJECTED.

FORM OF WITHDRAWAL CUM ACKNOWLEDGEMENT

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(All terms and expressions used herein shall have the same meaning as described thereto in the Letter of Offer)

(Please send this Form with enclosures to **Sharex Dynamic (India) Private Limited**, the Registrar to the Offer at the Collection Center mentioned in the Letter of Offer)

You have an **'OPTION TO WITHDRAW'** the acceptance tendered in response to this Offer any time upto three working days prior to the date of closure of offer i.e. **on or before 24th January, 2011**. In case you wish to withdraw your acceptance please use this form

OFFER SCHEDULE	
OFFER OPENS ON	Monday, 10th January, 2011
LAST DATE OF WITHDRAWAL	**Monday, 24th January, 2011**
OFFER CLOSES ON	Saturday, 29th January, 2011

FOR OFFICE USE ONLY	
Withdrawal Number	
Number of Equity Shares Offered	
Number of Equity Shares Withdraw	

From:

Name:

Address:

Tel No.: ______________ **Fax No.:** ______________ **E-Mail:** ______________

To,

M/s. Swarnsarita Jewellers Private Limited
C/o. Sharex Dynamic (India) Private Limited
Unit No. 1, Luthra Industrial Premises, Safed Pool
Andheri Kurla Road, Andheri (E), Mumbai-400 072

Dear Sir,

Sub.: Cash Offer for purchase of 13,89,080 (Thirteen Lacs Eighty Nine Thousand and Eighty Only) including the Shares on which the call money is pending on the Equity Shares of Shyam Star Gems Limited (SSGL) at a price of Rs. 18.00 (Rupees Eighteen Only) per Share under SEBI (SAST) Regulations.

I/We refer to the Letter of Offer dated 03.01.2011, for acquiring the Equity Shares held by me/us in SSGL.

I/We, the undersigned have read the Letter of Offer, Public Announcement and understood their contents including the terms and conditions and procedure mentioned therein.

I/We hereby consent unconditionally and irrevocably to withdraw my/our Equity Shares from the Offer and I/We further authorise the Acquirer to return to me/us, the tendered equity share certificate(s)/ share(s) at my/our sole risk.

I/We note that upon withdrawal of my/our Shares from the Offer, no claim or liability shall lie against the Acquirer /Manager to the Offer/Registrar to the Offer.

I/We note that this Form of Withdrawal should reach the Registrar to the Offer at the collection center mentioned in the Letter of Offer as per the mode of delivery indicated therein on or before the last date of withdrawal i.e., **not later than 5.00 p.m. on 24th January, 2011**.

I/We note that the Acquirer /Manager to the Offer/Registrar to the Offer shall not be liable for any postal delay/loss in transit of the Shares held in physical form and also for the non-receipt of Shares held in the dematerialized form in the Depository account due to inaccurate/incomplete particulars/instructions.

I/We also note and understand that the Acquirer will return the original share certificate(s), share transfer deed(s)/shares in dematerialized Shares only on completion of verification of the documents, signatures and beneficiary position as available from the Depository from time to time.

FOR SHARES TENDERED IN PHYSICAL MODE

The particulars of the tendered Share(s) that I/We wish to withdraw are detailed below:

Sr. No.	Ledger Folio No(s).	Certificate No(s).	Distinctive No(s).		No. of Equity Shares fully paid-up	No. of Equity Shares partly paid-up
Shares Tendered			From	To		
1.						
2.						
3.						
				Total Number of Shares tendered		
Shares Withdrawn						
1.						
2.						
3.						
				Total no. of equity shares withdrawn		

(In case the space provided is inadequate, please attach a separate sheet with details)

Tear along this line

ACKNOWLEDGEMENT SLIP

Received from Mr./Ms. ______________

residing at ______________

______________ A Form of Withdrawal for ______________shares along with a copy of:

☐ Depository instruction slip from DP ID ______________ Client ID ______________ ☐ Acknowledgement slip issued when depositing dematerialized shares ☐ Acknowledgement slip issued when depositing physical shares for withdrawing from the Offer made by the Acquirer

Stamp of Collection Centre		Signature of Official		Date of Receipt	

FOR SHARES TENDERED IN DEMAT FORM

I/We hold the following shares in dematerialized form and tendered the shares in the Offer and had done an off-market transaction for crediting the shares to the **"SSGL - Open Offer"** (Special Depository Account) as per the following particulars:

Depository Participant Name	**DP/ Client ID**
Arcadia Share & Stock Brokers Private Limited	1203440000716434

Please find enclosed a photocopy of the Depository delivery Instruction(s) duly acknowledged by DP. The particulars of the account from which my/our shares have been tendered are as detailed below:

DP NAME	DP I.D.	CLIENT ID.	NAME OF THE BENEFICIARY	NO OF SHARES OFFERED

I/We note that the shares will be credited back only to that Depository Account, from which the shares have been tendered and necessary standing instructions have been issued in this regard.

I/We confirm that the particulars given above are true and correct.

In case of dematerialized shares, I/We confirm that the signatures of the beneficiary holders have been verified by the DP as per records maintained at their end and the same have also been duly attested by them under their seal.

I/We confirm that the particulars given above are true and correct.

Yours faithfully,

Signed and Delivered:

PARTICULARS	FULL NAME (S) OF THE HOLDERS	SIGNATURE (S)
First/Sole Shareholder		
Joint Holder 1		
Joint Holder 2		

Place : ______________________

Date : ______________________

Note : For Fully paid up shares the Offer Price is Rs. 18/- and for the shares on which the call money is pending is Rs. 13/- and the balance Rs. 5/- to the Target Company to make them fully paid up.

- - - - - - - - - - - - - - - - - - - Tear along this line - - - - - - - - - - - - - - - - - - -

For Future Correspondence, if any, should be addressed to Registrar to the Offer at the following address

M/s. Swarnsarita Jewellers Private Limited
C/o. Sharex Dynamic (India) Private Limited
Unit No. 1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (E), Mumbai-400072
Telephone No: 022-28515606/5644; Fax No: 022-28512885
Contact person: Mr. B.S. Baliga
Email: sharexindia@vsnl.com; Website: www.sharexindia.com

INSTRUCTIONS

1. The Shareholders are advised to ensure that the Form of Withdrawal along with enclosure should reach the Registrar to the Offer at the Collection Center mentioned in the Letter of Offer as per the mode of delivery indicated therein on or before the last date of withdrawal i.e. not later than **5.00 p.m on 24th January, 2011**.

2. Shareholders should enclose the following:

   i. **For Equity Shares held in demat form:** Beneficial owners should enclose

      - Duly signed and completed Form of Withdrawal.
      - Acknowledgement slip in original / Copy of the submitted Form of Acceptance-cum- Acknowledgement in case delivered by Registered A.D.
      - Photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP.

   ii. **For Equity Shares held in physical form:**

      Registered Shareholders should enclose:

      - Duly signed and completed Form of Withdrawal.
      - Acknowledgement slip in original/ Copy of the submitted Form of Acceptance-cum-Acknowledgement in case delivered by Registered A.D. In case of partial withdrawal, Valid Share Transfer form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with SSGL and duly witnessed at the appropriate place.

      Unregistered owners should enclose:

      - Duly signed and completed Form of Withdrawal.
      - Acknowledgement slip in original / Copy of the submitted Form of Acceptance-cum-Acknowledgement in case delivered by Registered A.D.

3. The withdrawal of Shares will be available only for the Share certificates/the Shares that have been received by the Registrar to the Offer/ special depository escrow account.

4. The intimation of returned Shares to the Shareholders will be at the address as per the records of the Target Company/Depository as the case may be.

5. The Form of Withdrawal should be sent only to the Registrar to the Offer.

6. In case of partial withdrawal of Shares tendered in physical form, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from the SSGL. The facility of partial withdrawal is available only to registered shareholders.

7. Shareholders holding Shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit in their DP account.

8. The Form of Withdrawal and other related documents should be submitted at the Collection Centre of mentioned in the Letter of Offer.

9. Applicants who cannot hand deliver their documents at the collection centre, may send their documents only by Registered Post/Courier, at their own risk, to the Registrar to at the Collection Centre of mentioned in the Letter of Offer so as to reach the Registrars on or before the last date of withdrawal i.e. **24th January, 2011**.

10. For Fully paid up shares the Offer Price is Rs. 18/- and for the shares on which the call money is pending is Rs. 13/- and the balance Rs. 5/- to the Target Company to make them fully paid up.